

Management Record

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• In the Record •

Finding and Hiring New Employees

Not so long ago, a company's attitude toward hiring employees was apt to be casual. The employment manager would put an ad in the local paper, sit back, and wait for the applicants to pour in. But more recently — due to a shortage of manpower and some additional wisdom concerning the importance of choosing the right employee — some companies have adopted a "new look" in their hiring technique and attitude.

"The Employment Office Today," a survey based on the experiences of dozens of companies throughout the country, tells about a wide range of improvements going on inside and outside the employment office. "Career days" at colleges, improved interviewing techniques, and psychological tests are helping some companies find not only more, but better employees. Physical improvements in the interiors of offices and on the forms to be filled out by the applicant, are helping too. The story starts on the next page.

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Automobile Allowances for Salesmen

Flat mileage rates are still the most popular method of reimbursing salesmen for use of their automobiles, according to the Board's recent survey. There was a noticeable increase over the year in the number of payments at 8 cents or more a mile, but the majority of companies pay 7 cents a mile — the median rate for three years now.

The number of firms using leased automobiles has increased since 1952, although most reporting companies use the salesmen's own automobiles. The reporting companies, for the most part, found salesmen-owned automobiles more expensive than leased or company fleets. Tables and charts accompany the article starting on page 442.

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Labor Relations — Part of Personnel Administration?

Should dealing with a union be part of a company's personnel administration department? Or should labor relations be an autonomous and separate function reporting directly to the president or head of production?

There are strong arguments on both sides of the question. People on the pro side of integration say that an over-all

approach to personnel problems puts the company in a stronger position regarding employee grievances and eases the load on the president. People on the other side of the fence say that different abilities are needed for dealing with a union, and that a personnel department that has merged with labor relations is apt to appear two faced — one day protagonist, the next, antagonist.

For a detailed look at this problem, see "Labor Relations — Part of Personnel Administration?" on page 437.

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The CIO Convention

The long heard of and much talked about AFL-CIO no-raid pact got its final okay last month when delegates to the 1954 CIO convention voted to go along with the agreement. Of course, whether individual AFL and CIO unions are going to ratify, or when, is still a matter of guessing. But it's on paper, and that was enough to make the headlines.

Another highlight of the convention was the speech by Secretary of Labor James P. Mitchell, who, among other things, advocated removing the exemptions to the minimum wage law. This was the proposal best received by the delegates. And as a third newsworthy item, the CIO set forth a definitive campaign platform for the coming congressional elections. A return to a Wagner Act type of labor law headed the list. For the full picture, see "CIO Sets 1954 Policies," on page 450.

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Prices and Employment Steady

The long-awaited downturn in consumers' prices came in October, according to the Board's index. The decline was slight — but it was the first since April of this year. Despite food price props and a rise in processing costs, food continued to decline and now stands almost 4% below 1952 levels. Other elements in the cost of living index showed little change with the exception of housing, which continued its strong upward trend.

In addition, "Review of Labor Statistics," beginning on page 458, indicates that although employment is still high, there are unmistakable signs of readjustment, evidenced by higher turnover rates, less overtime, and contraseasonal stability in employment totals.

The Employment Office Today

The important role the employment office can play in adding to a company's efficiency is getting new emphasis

IMPORTANT changes are taking place in the recruitment and selection of workers. Two reasons are largely responsible for this evolution. One is the shortage of applicants. This situation has persisted for more than a decade already, and it may be expected to continue as long as business activity remains at its present high level. The second reason is the development of improved employment techniques. The employment manager today has better tools to work with than were available to his counterpart in 1943.

Recently THE CONFERENCE BOARD visited the employment offices of several dozen companies in the East and Middle West. Detailed information about the operation of these offices was obtained. Forms and blanks of all kinds, charts, research studies, opinions and experiences relating to the employment function were collected. In addition, the same materials and information were solicited by mail from a large number of representative companies across the country.

A vast amount of data was secured which has now been sifted and analyzed. A preview of some of the highlights is offered in the following paragraphs. The full report of findings will be published in 1954.

It should be explained at the beginning that not all employment offices operate on the same pattern. Far from it. Current employment practice runs all the way from very bad to very good. In some companies it is improving; in others it is deteriorating. Even in the nation's largest city, in the year 1953, stevedores are hired by the daily "shape up" method and applicants for municipal laboring jobs, paying \$3,000 per year, could gain advantage by standing in line forty-eight hours in advance of the examination date. The employment practices of a majority of the cooperating companies are no doubt representative of those followed by more progressive organizations.

TRENDS IN RECRUITMENT

The work of the employment office falls into two major areas—recruitment and selection. Three trends in recruitment are of special interest today.

Many companies are extending their recruitment activities far beyond their normal geographic areas. An ad in a local paper used to be enough. The employment manager sat back, awaiting the rush of applicants. He rarely went out looking for people. And

preference was given applicants from the immediate community. Today companies go coast to coast for new employees. Temporary offices are established and workers are signed on the spot, or offered transportation to the company. The new mobility of labor has made it practical for companies in tight areas to reach out hundreds of miles to areas where surpluses exist.

The plan of recruiting new employees through the recommendation of present employees is one that has come to the fore in recent years. Some companies are obtaining half, or even more, of their new hires in this manner. They say that a better-than-average grade of applicant is obtained by employee recommendations. This means less screening, less wasted time.

Some recruitment, of course, has always resulted from the natural inclination of satisfied employees to tell their friends about their companies. The innovation here is that a number of companies have organized and capitalized on this inclination. They have encouraged their employees to suggest to their friends that they visit their employment offices. Cards of introduction are prepared and distributed. This activity is promoted through posters, bulletin board announcements, and items in employee publications. Sometimes cash or time-off bonuses are offered to employees who bring in applicants who are hired and remain on the job a certain length of time.

No statement of current developments in recruitment would be complete that failed to mention the efforts made by an increasing number of companies to attract high school and college graduates. Today, through "career days" at schools, open house programs at plants, and an interchange of visits for various purposes, educational and business organizations are drawing closer together.

The recruitment of college seniors is a story in itself. Thousands of companies now make annual treks to the campuses. They recognize that the college represents a prime source for technical and junior executive personnel. It was not too many years ago that the college graduate took his chances like anyone else in the company's employment office. He received little or no special consideration. In certain instances the college diploma was even regarded with mild suspicion. But the situation today is reversed. There is an unprecedented demand for college-trained men. A senior

who doesn't receive three or four flattering offers today from as many different companies is likely to feel abused.

NEW LIGHT ON SELECTION

Applicants are made to feel welcome in the modern employment office. They are received and treated as guests of the company. Few likely candidates are turned away because it is probable a place can be found for them in the organization. But the friendly, courteous reception is not reserved for the likely candidate. It is extended to all.

A number of companies now use a preliminary application form that can be filled out quickly. Yet the form contains enough basic information to enable the skilled interviewer to decide, after talking with the applicant for a few minutes, whether or not to continue the employment process. If the individual does not appear to be a suitable candidate for any current job openings, he can be so advised. Thus, a minimum of time has been expended.

If the candidate looks good, he will be given the full application blank to complete. The preliminary form may be attached to the larger one so that the same information need not be supplied a second time.

Many companies have taken a second look at their application blanks. Nonessential questions have been eliminated. So have questions about race, religion, and national origin, especially in areas with nondiscriminatory statutes or codes. Companies have streamlined their forms, making them easier to fill out. In a few instances they have called in their art departments to make the blanks more attractive. Pictures and drawings of the company, of employees working at different jobs, or of employees enjoying various after-hour activities now appear on their application forms.

The Interview

Changes of considerable importance are occurring in the employment interview. It is widely recognized today that the interview is an inexact screening tool. Yet, because the interview still stands first among the various screening devices in the minds of most employment managers, few companies would consider eliminating it. Their present concern is in improving the interview. How, they ask, can it be made a more effective tool of selection?

Two answers have been given this question. The first is: limit the purposes of the interview. Do not attempt here to measure the applicant's intelligence or his different aptitudes. Do not expect to learn how well he performed his last job. Do not try to gauge his health or his physical condition during the interview.

The second answer is: improve the interview and the interviewer. This answer takes many forms. The interview can be planned better. Better questions can

be asked, and the values of the answers received can be determined. The interviewer can be trained to avoid errors he may be making and his skills can be sharpened. If space permitted, pages could be devoted to spelling out the implications of this second answer. It is in this area of interviewing that some students of employment practice believe the greatest advances can be made.

The use of psychological tests as aids to better selection is increasing. Companies are validating standardized tests for specific jobs in their organization. They are developing their own tests. At the management level, projective and situational tests are being tried in place of the usual paper and pencil ones. While many companies are developing a healthy sophistication in the use of tests, appreciating their limitations as well as their values, it is still true that a much larger number are either blindly antagonistic toward testing or highly gullible as to the possibilities.

Checking the Record

It is axiomatic that a man's future is best revealed by a study of his past. In evaluating an applicant, the employment manager must decide how well he may be expected to perform a particular job. If he can learn how well the applicant performed the same job, or a similar one elsewhere, he will be in a good position to make this evaluation. It is surprising how many companies neglect to make a careful examination of a candidate's background.

A frequently heard company story runs like this: "In the past we *did* check references. But we gave up the practice. It took too much time. If you delay a decision, you may lose a good employee. Besides, we didn't learn much. Some of the people we wrote to never answered. And those who did just said nice things about the applicant. We concluded that references don't mean anything."

But another company answers this argument: "True, some references and some checks are practically worthless. But we've found a plan that works for us. We have become personally acquainted with the other employment managers in our community. When an applicant gives us a work reference, we pick up the phone and get the facts pronto. All the employment people in our area exchange information freely back and forth. If there are any negatives in the picture, we state them frankly. In addition to this, we have a credit company look up the applicant. They talk with neighbors and former business associates, besides checking police records, credit standing, and so on. We feel we hire with our eyes wide open, and that our percentage of wrong hires has been reduced to a minimum."

Employment managers have discovered that two things are important in good job placement. Getting

the individual in the right job is important—and this is well known. But the importance of *getting the individual to feel that he is in the right job* is not so well known.

The entire screening process can be directed towards these twin objectives. In many ways the applicant can be made to feel that he is participating in the job selection and placement. A final step that some companies are taking deserves special mention. A likely applicant, having completed the initial interviews and testing, is taken on a brief tour of the plant. He is introduced to one or two foremen and shown several jobs which are open and for which he seems qualified. He is invited to make a choice and to explain the reasons for it. It usually is possible to place him on the job selected. Experience with this plan has been good according to companies that have used it. The employee settles down promptly on his new job. Turn-over is reduced.

IMPROVING THE EMPLOYMENT PROCESS

The work of the employment office is not accorded high ranking by many companies. The employment interviewer, in fact, may be the low man on the totem pole in a minor department of his company. His is often a beginning job. Yet the decisions this interviewer makes day after day, rejecting this man and passing another one, vitally affect the well-being of the organization.

But there is a more hopeful side of the picture. While it is true that numerous companies look upon the employment function as of little importance, others are taking a very different view of it. They are building up and strengthening their employment offices and their employment personnel. They point out that the future of the company is tied directly to the quality of the manpower fed into the organization through the employment office.

Improvements in the functioning of the employment office have taken many different forms. Besides those already described, several others may be mentioned briefly.

Employment offices have been refurbished. Traditionally, the employment office is not a thing of beauty. Of course, it does not need to look like a Hollywood set, but it can be made clean and attractive. Some companies have discovered how easily and how inexpensively their offices can be transformed from unattractive, cold places to pleasant, friendly ones. The reception room can be kept neat, the chairs can be comfortable, and small conveniences can be provided. An attractive office makes a good first impression on the applicant, and in such a setting the staff is likely to do a better job.

Companies that take the employment business seriously are giving more attention to their personnel.

The employment manager and his staff are being more carefully selected, better trained, and better compensated. Additional staff workers are obtained so that a more thorough screening job can be done.

A major development in better employment is occurring in the research area. Trained research workers are going after the facts. Where are the errors being made? How can they be avoided? What better tools and techniques are available or can be developed? The research approach has paid off handsomely in the product field, in the methods field, and in market studies. It seems logical that the same methods applied to personnel problems, including employment, will likewise be productive. Employment managers today still fly largely by the seat of their pants. The aids and instruments at their disposal are relatively crude ones. But better ones are being shaped.

STEPHEN HABBE

Division of Personnel Administration

College Recruitment in 1954

DURING December, 1951, and December, 1952, THE CONFERENCE BOARD surveyed several hundred companies on the subject of college recruitment. Such questions as these were asked:

- How many seniors do you hope to recruit?
- Which colleges are you planning to visit? When?
- What beginning salaries are you going to offer?

Since World War II, there has been considerable interest in college recruitment. Thousands of companies now make annual treks to the campuses to interview members of the senior class. The demand for college men has been so great that many recruiters have failed to meet their quotas. This is particularly true of the recruitment of engineers and others with technical training. Salary offerings have gone up almost 50% during the past six years, now averaging about \$350 per month for inexperienced B.S. graduates.

There are indications that the situation has become fairly well stabilized. Company plans for college recruitment in 1954, it seems likely, will not differ materially from 1953. For this reason, the Board is not making its usual December survey this year. But the January, 1954, issue of the *Management Record*, according to present plans, will contain the highlights of a comprehensive college recruitment survey, similar to the ones conducted by the Board during the past two years. This survey is being made by Dr. Frank S. Endicott, Director of Placement at Northwestern University.

Labor Relations—Part of Personnel Administration?

At what level in a company should activities having to do with the treatment of union and nonunion employees be coordinated?

IS LABOR RELATIONS a part of—or apart from—personnel administration? There are those who point out that labor relations and personnel administration are the same thing, and that either can be used interchangeably with still another term, “employee relations.” All deal with relationships of management with employees; all concern the persons whose contribution to the enterprise is labor.

The term “labor relations,” however, very frequently is used in a much narrower sense, to indicate management’s relationships with organized labor. Activities of those engaged in labor relations have primarily to do with negotiating and interpreting union contracts.

If labor relations means dealing with unions, then how does administration of this function fit in with the over-all concept of personnel administration? How does it relate to the formulation of personnel policies and the supervision of other activities having to do with company personnel—such as recruitment, hiring, training and advancement; employee communications; health and safety; wage and salary administration; and administration of employee benefit plans, such as pensions and group insurance?

The question, in essence, is at what level do companies believe it best to coordinate activities having to do with the treatment of employees. In the accompanying illustrations, several arrangements are shown. In charts 1, 2 and 3, labor relations and personnel are coordinated by the head of personnel administration, who reports to the president. In charts 4, 5, 6 and 7, coordination is achieved only at the top level. In these four examples, the president of the company is the only one who has authority over both the head of labor relations and the head of personnel. He is the only one who can make decisions if the plans or advice of one conflict with the plans or advice of the other.

Are labor relations and personnel (using the latter term to indicate varied activities included in personnel administration) so different that coordination can be effected only by the chief executive of the company? Or are they so similar that they may be considered parts of a single leading function, headed by a staff specialist?

In many companies the separation of labor relations and personnel has come about not through organiza-

tion planning but in response to immediate pressures.

A company that has not been unionized is suddenly confronted with militant bargaining. While the company has a personnel department, its functions embrace little more than employment and keeping of employee records. The load of facing up to the union falls upon the president. He calls in a consulting firm to help with the bargaining and eventually adds a specialist to the company staff for that purpose.

The direct relationship to the president is retained. The authority and responsibility given the labor relations man are at least equal to those that have been given the personnel man up to that time. It is believed impossible to have the labor relations man report to the head of personnel.

Or developments may have proceeded from the opposite direction. The labor relations man may be on the scene first, as advisor to a top line executive in contract negotiations or actually doing the bargaining himself. Later, the advantages of having company-wide personnel policies with a well-rounded program implementing them, leads to the establishment of a centralized personnel department which is set up as a separate staff agency.

If growth takes place this way, why not assign the additional personnel functions to the labor man? In some instances this has been done, and very successfully. But in other cases it has not been done because the labor relations specialist either has had no interest in administration of personnel functions or has not possessed the special abilities considered essential for the latter job.

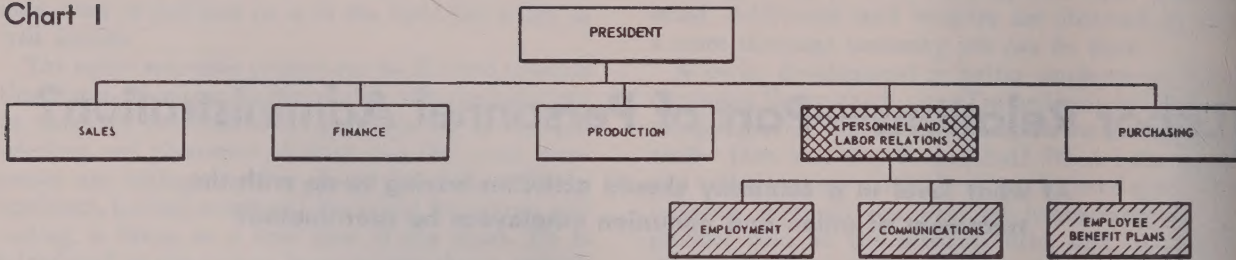
REASONS FOR SEPARATION

Arguments relating to contrasting abilities needed for administration of labor relations and personnel relations are advanced more often by labor relations men than by personnel administrators. A management consultant who has had many years of experience with union negotiations expresses it in the following manner.

Different Abilities Needed

“There are thousands of industrial relations directors in the country who are doing a pretty good job, but they are not qualified to handle labor relations. Negotiation is trading—bargaining—and for that you need a shrewd,

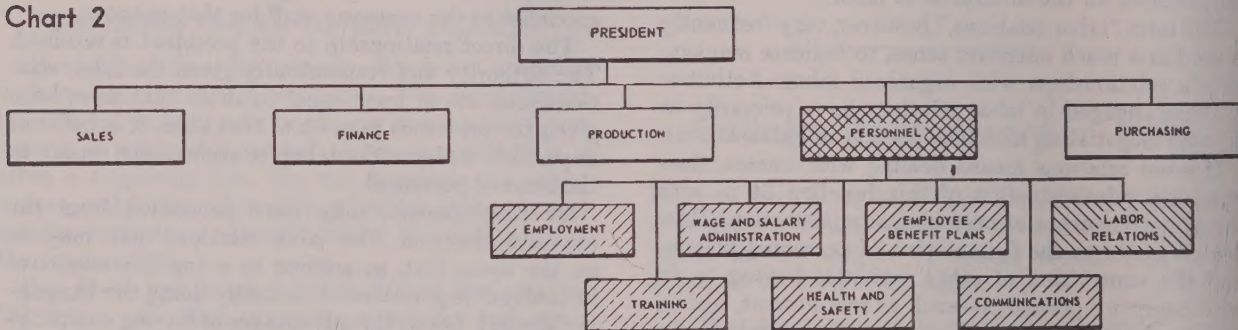
Chart 1



In small companies where the few members of the personnel staff have to "double up" in handling many personnel functions, the personnel director not infrequently reserves for himself the field of labor relations. He co-

ordinates the work of specialists in other personnel functions, but himself counsels line management in union negotiations. Sometimes he has the help of an outside consultant.

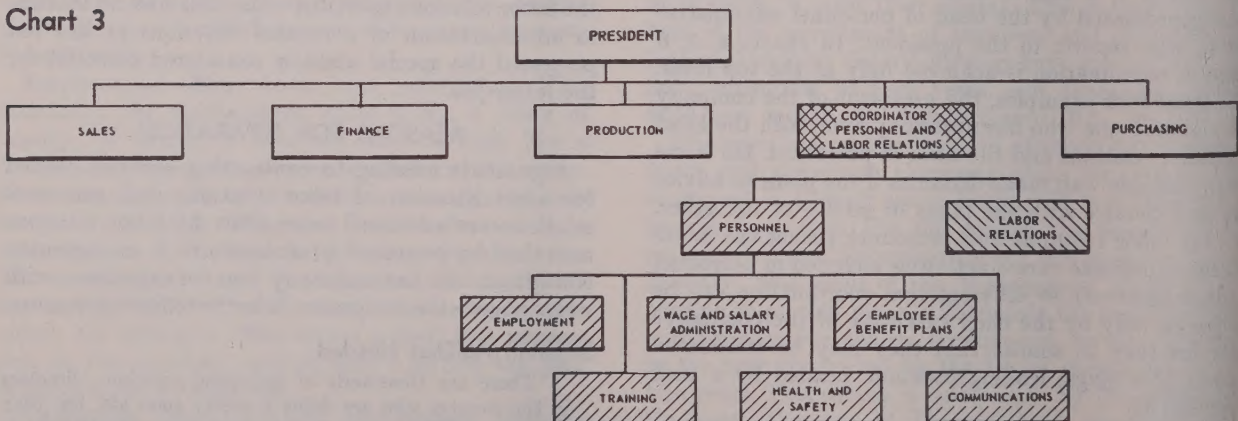
Chart 2



In larger organizations, labor relations often is set up as one of several sections of the personnel administration department. The specialist who supervises labor relations, like those who head employment, training, communica-

tions, etc., reports to a coordinator who has a title such as "director of personnel administration," "vice-president in charge of personnel," or "vice-president, industrial relations."

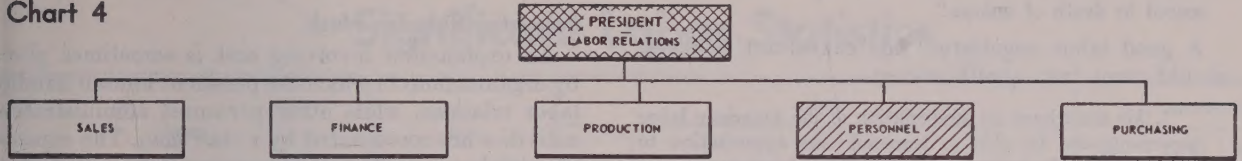
Chart 3



In some companies, the functions having to do with employee relationships other than union relations are grouped, and the head of labor relations is on a par in

the organization structure with the head of this group. The labor relations director and the personnel director both report to the vice-president, personnel administration.

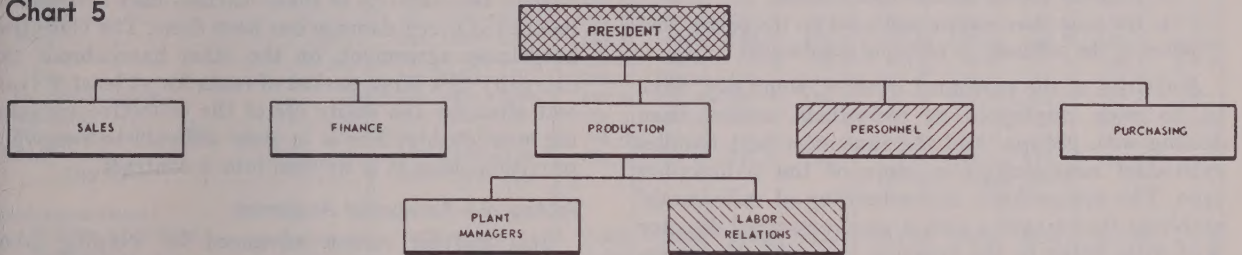
Chart 4



Here, labor relations is removed from the other activities having to do with management-employee relationships. In a small company, a personnel director may co-

ordinate all employee relations except labor relations. Union relations may be handled by the president himself, sometimes with the help of an outside consultant.

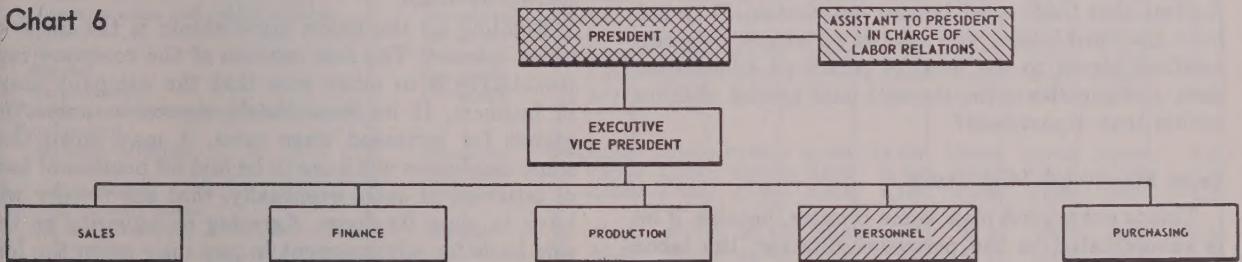
Chart 5



Under this arrangement, the head of labor relations reports to the head of production, while all other personnel

functions are coordinated by the head of a staff department, who reports to the president.

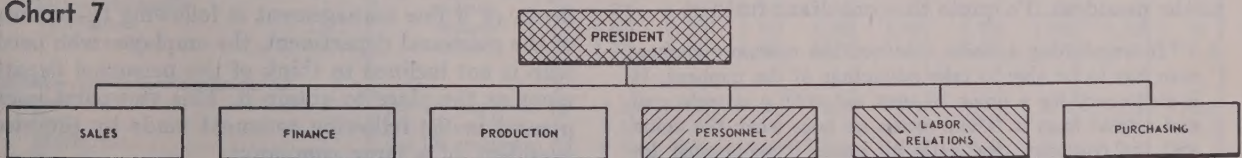
Chart 6



Here is another instance in which the chief executive has direct contact with the head of labor relations, while personnel is one step removed. Personnel is one of sev-

eral staff departments, which, with the line departments, are coordinated by the company's executive vice-president.

Chart 7



The heads of personnel and of labor relations here are on a par in their reporting relationships. Both are heads of

staff departments. Both functions report directly to the president.

 PERSONNEL

 LABOR RELATIONS

 FIRST COORDINATOR OF PERSONNEL AND LABOR RELATIONS

hard-hitting guy. He has to be fair, square and tough—a fellow who can call the tune. Some personnel men are scared to death of unions.”

A good labor negotiator, this consultant believes, should meet four qualifications:

“1. He must have an appreciation of the American labor movement and be able to transmit this appreciation to management. He must have studied the labor movement and believe that unions are the protectors of the American capitalistic system. Top management often has no appreciation of unions. The labor relations man, who knows unions, has to inform management.

“2. He must possess inherent shrewdness, but a very ethical kind.

“3. He must possess considerable courage.

“4. He must have stature and head up the policy committee of the company in planning negotiations.”

Activities of the personnel director, some say, have to do with employees as individuals, rather than dealing with groups. And the man who best handles individual relationships is more of the philosopher type. The sympathetic understanding of individuals' problems that makes a man a good personnel director is of little value in the sparring ring with the union leaders. Here a harder quality is needed. The labor relations man has to be made of sturdy stuff—able to give back as well as receive.

Suppose, for the sake of argument, one grants that because of different qualifications needed, the same person cannot handle labor relations and personnel. Assume that there must be two individuals. Why not have the hard-hitting guy who is an expert in group relations report to the head of personnel administration, and contribute his strength and special abilities within that department?

Labor Man Needs High Status

This is not a good plan, some counter, because if he is subordinated to the personnel director, the labor relations man is too far removed from the top of the organization. He lacks the status that the management consultant believes is an essential in union negotiations.

If union leaders could have their way, they would prefer to deal directly with the president of the company. Next best is an executive who reports directly to the president. To quote the consultant further:

“In negotiating a union contract, the company spokesman has to be able to take advantage of the moment. It is customary for a union to start out with a miracle goal and retreat from it. There comes an hour when the union and the company can settle all issues if spokesmen for both are able to speak authoritatively. If the company labor relations man has to ask for postponement until he has talked with the head of personnel and labor relations, who in turn must consult with the president, the strategic

moment may be lost. When the meeting is resumed, the union representative may have other ideas.”

Delegation Risks Too Much

An explanation involving cost is sometimes given by organizations in which the president himself handles labor relations, while other personnel administration activities are coordinated by a staff man. The expense of mistakes in collective bargaining is too great, it is held, for the chief executive to accept advice in this area or entrust the negotiations to a staff assistant.

Mistakes may be made in other areas of personnel administration. For instance, the selection procedure may be poor; the training program inadequate; the employee magazine too expensive for what it accomplishes. But any one of these features may be rectified before too much damage has been done. The collective bargaining agreement, on the other hand, binds the company to a large packet of costs for at least a year, and often for the entire life of the collective bargaining relationship. For it is very difficult to remove a provision, once it is written into a contract.

Protagonist-Antagonist Argument

Still another reason advanced for keeping labor relations separate from the personnel department is that it is not good for the company's personnel program as a whole for the personnel department to fill the role of protagonist one day, antagonist the next. Unions, in the opinion of some company managements, do not always have the interests of the worker primarily at heart.

Building up the union organization is the focus of union interest. The first concern of the company representative is to make sure that the company stays in business. If he immediately agrees to union demands for increased wage rates, it may mean that some employees will have to be laid off because of lack of business, or even, eventually, that the factory will have to close its doors. Agreeing to seniority as the sole basis for advancement in pay may mean the loss of good men and may result in decreased efficiency, which again threatens continuity of the business.

While opposition to union demands actually may be in defense of the best interests of the employee, at the time of negotiation the worker may feel that the company representative is against him. If the representative is a member of the personnel department, or if line management is following the counsel of the personnel department, the employee who needs help is not inclined to think of the personnel department as the place to obtain it. This viewpoint is expressed in the following comment made by the vice-president of a large company:

“In times of labor strife, some unions direct vicious attacks toward the leaders of the personnel department
(Continued on page 462)

Significant Labor Statistics

Item	Unit	1953							Year Ago	Percentage Change	
		Oct.	Sept.	Aug.	July	June	May	April		Latest Month over Previous Month	Latest Month over Year Ago
Consumer Price Indexes											
(NIBC) All Items.....	Jan. 1939=100	183.3	184.0	183.7	182.3	181.2	180.2	179.4	181.5	-0.4	+1.0
Food (b).....	Jan. 1939=100	231.1	234.4	234.0	233.2	231.3	228.5	227.4	239.9	-1.4	-3.7
Housing.....	Jan. 1939=100	134.5	133.1	132.5	131.9	131.3	131.0	128.9	126.2	+1.1	+6.6
Clothing.....	Jan. 1939=100	151.1	151.0	150.8	150.8	150.9	150.8	150.7	150.5	+0.1	+0.4
Men's.....	Jan. 1939=100	168.0	168.2	167.8	167.8	167.9	167.8	167.4	167.4	-0.1	+0.4
Women's.....	Jan. 1939=100	136.6	136.5	136.3	136.4	136.4	136.4	136.4	136.1	+0.1	+0.4
Fuel.....	Jan. 1939=100	140.5	140.0	139.7	138.9	138.5	138.6	140.7	137.9	+0.4	+1.9
Electricity.....	Jan. 1939=100	93.5	93.4	93.4	93.4	93.4	93.4	93.4	92.7	+0.1	+0.9
Gas.....	Jan. 1939=100	105.1	105.1	105.1	104.7	104.6	104.3	104.2	102.7	0	+2.3
Housefurnishings.....	Jan. 1939=100	163.6	163.4	163.4	164.0	164.0	164.5	164.5	164.4	+0.1	-0.5
Sundries.....	Jan. 1939=100	183.7	183.4	183.3	179.6	178.5	178.2	177.8	173.2	+0.2	+6.1
Purchasing value of the dollar.....	Jan. 1939 dollars	54.6	54.3	54.4	54.9	55.2	55.5	55.7	55.1	+0.6	-0.9
(BLS) All Items.....	1947-1949=100	115.4	115.2	115.0	114.7	114.5	114.0	113.7	114.2	+0.2	+1.1
Old Series.....	1935-1939=100					a 190.9	a 188.8	a 188.3			
Employment Status ¹											
Civilian labor force.....	thousands	63,404	63,552	64,648	64,668	74,734	62,964	62,810	63,146	-0.2	+0.4
Employed.....	thousands	62,242	62,306	63,408	63,120	63,172	61,658	61,228	61,862	-0.1	+0.6
Agriculture.....	thousands	7,159	7,262	7,274	7,628	7,926	6,390	6,070	7,274	-1.4	-1.6
Nonagricultural industries.....	thousands	55,083	55,044	56,134	55,492	55,246	55,268	55,158	54,588	+0.1	+0.9
Unemployed.....	thousands	1,162	1,246	1,240	1,548	1,562	1,306	1,582	1,284	-6.7	-9.5
Wage Earners ²											
Employees in nonagr'l establishm'ts.....	thousands	p 49,580	r 49,632	r 49,410	r 49,215	49,416	49,058	48,860	49,095	-0.1	+1.0
Manufacturing.....	thousands	p 17,011	r 17,215	r 17,265	r 17,069	17,162	17,040	17,077	16,778	-1.2	+1.4
Mining.....	thousands	p 811	r 826	830	823	835	831	835	871	-1.8	-6.9
Construction.....	thousands	p 2,705	r 2,700	r 2,703	r 2,662	2,608	2,509	2,416	2,728	+0.2	-0.8
Transportation and public utilities.....	thousands	p 4,310	r 4,323	4,334	4,340	4,315	4,279	4,244	4,296	-0.3	+0.3
Trade.....	thousands	p 10,603	r 10,458	r 10,340	r 10,355	10,415	10,348	10,314	10,442	+1.4	+1.5
Finance.....	thousands	p 2,052	r 2,055	r 2,077	r 2,075	2,046	2,025	2,014	1,973	-0.1	+4.0
Service.....	thousands	p 5,334	r 5,392	r 5,412	r 5,413	5,397	5,357	5,307	5,303	-1.1	+0.6
Government.....	thousands	p 6,754	r 6,663	6,449	6,478	6,638	6,669	6,653	6,704	+1.4	+0.7
Production and related workers in manuf'g											
Employment											
All manufacturing.....	thousands	p 13,626	r 13,829	r 13,862	r 13,666	13,787	13,699	13,758	13,560	-1.5	+0.5
Durable.....	thousands	p 7,933	r 8,009	r 8,065	r 8,056	8,190	8,179	8,215	7,774	-0.9	+2.0
Nondurable.....	thousands	p 5,693	r 5,820	r 5,797	r 5,610	5,597	5,520	5,543	5,786	-2.2	-1.6
Average weekly hours											
All manufacturing.....	number	p 40.3	r 39.9	r 40.4	r 40.3	40.7	40.7	40.8	41.4	+1.0	-2.7
Durable.....	number	p 41.0	r 40.5	r 41.0	r 40.8	41.4	41.5	41.6	42.2	+1.2	-2.8
Nondurable.....	number	p 39.3	r 39.0	39.6	39.6	39.7	39.5	39.5	40.3	+0.8	-2.5
Average hourly earnings											
All manufacturing.....	dollars	p 1.78	1.78	1.77	1.77	1.76	1.76	1.75	1.70	0	+4.7
Durable.....	dollars	p 1.90	1.89	1.88	1.88	1.87	1.86	1.86	1.81	+0.5	+5.0
Nondurable.....	dollars	p 1.62	r 1.62	1.61	1.61	1.60	1.60	1.59	1.54	0	+5.2
Average weekly earnings											
All manufacturing.....	dollars	p 71.73	r 71.02	r 71.51	r 71.33	71.63	71.63	71.40	70.38	+1.0	+1.9
Durable.....	dollars	p 77.90	r 76.55	r 77.08	r 76.70	77.42	77.19	77.38	76.38	+1.8	+2.0
Nondurable.....	dollars	p 63.67	r 63.18	63.76	63.76	63.52	63.20	62.81	62.06	+0.8	+2.6
Straight time hourly earnings.....											
All manufacturing.....	dollars	e 1.73	r 1.73	1.72	1.72	1.70	1.70	1.69	1.63	0	+6.1
Durable.....	dollars	e 1.83	1.83	1.81	1.82	1.80	1.79	1.79	1.73	0	+5.8
Nondurable.....	dollars	e 1.58	r 1.59	1.57	1.57	1.56	1.56	1.55	1.49	-0.6	+6.0
Turnover rates in manufacturing ³											
Separations.....	per 100 employees	p 4.5	r 5.2	4.8	4.3	4.2	4.4	4.3	4.2	-13.5	+7.1
Quits.....	per 100 employees	p 2.1	3.1	2.9	2.5	2.6	2.7	2.7	2.8	-32.3	-25.0
Discharges.....	per 100 employees	p 0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0	0
Layoffs.....	per 100 employees	p 1.8	1.5	1.3	1.1	0.9	1.0	0.9	0.7	+20.0	+157.1
Accessions.....	per 100 employees	p 3.4	4.0	4.3	4.1	5.1	4.1	4.3	5.2	-15.0	-34.6

¹ Bureau of the Census
² Bureau of Labor Statistics
³ Adjusted

^b Food priced during the week of the fifteenth
^c Estimated

^p Preliminary
^r Revised

Automobile Allowances for Salesmen

Two hundred and sixty companies report on automobile allowances for their salesmen. The findings are compared with earlier years

SEVEN CENTS a mile is the rate most commonly paid to salesmen who drive their own automobiles on company business—the same as last year. (See Chart 1.) There was a slight increase from 1952, however, in the straight arithmetic average of all rates reported, according to THE CONFERENCE BOARD's recent survey of 260 companies.¹ The samples selected in both years were quite similar; 80% of the firms currently reporting also contributed to the 1952 survey.

In the 205 companies with salesmen who drive their own automobiles:

- Flat mileage rates are paid by over 55% of the total. (See Chart 2.) This is a sizeable gain from 1952, when slightly less than 43% were reported in this category.

- All other methods of reimbursement decreased in popularity over the year, with the exception of an insignificant increase in the group which pays no allowance.

- Four out of every five companies pay tolls in addition to the specified reimbursement; and two out of every three pay garage costs (away from home) and parking fees. A smaller number pay for insurance, towing, and automobile washing. (See Table 1 on page 444.)

- Salesmen-owned automobiles are used exclusively by approximately 47% of the firms surveyed this year, and company-owned automobiles, by 16%—much the same as last year. (See Table 2.) There was a small gain, however, in the percentage of leased automobiles used exclusively, from 3.1% to 4.2%, over the year. In the companies where a combination of salesmen's, company, and leased automobiles are used, there was a slight movement away from the combination of salesmen's and company automobiles, with leased fleets often substituted for those of the companies in the joint plans.

- The estimated actual cost to the firms of automobiles driven by salesmen varies considerably, with the company-owned vehicles showing the widest range. Firms with more than one plan of ownership report that salesmen's automobiles cost the company more in most cases than those owned by the company

or leased. A few firms report cost comparisons for company and leased plans, but no clear cost advantage is shown for either.

Flat Mileage Rate

Fifty-seven, or 50%, of the 114 companies using a straight-mileage method of reimbursing salesmen pay 7 cents a mile. The average payment this year is 7.2 cents a mile. A year ago, while the median was 7 cents, the arithmetic average was 6.9 cents. Since 1952, the percentage of companies reporting payments at each rate decreased in all but two categories—8.0 cents and 8.5 cents or more (see Chart 1). The range is from 3 cents to 10 cents a mile. The one company which reports payment at 3 cents a mile also pays automobile depreciation and license fees and most extra allowances listed. Two firms at 5 cents a mile complete the smallest category. In the group at the other extreme, two companies pay 8.5 cents a mile; three, 9 cents; and two, 10 cents; while one pays 8.5 cents for ordinary driving and 10 cents for city driving. Despite the high rates, firms at this end of the scale pay additional expenses more frequently than the average company using a flat mileage allowance.

Graduated Mileage Rates

Twenty-two, or 10.7%, of the 205 companies reimbursing salesmen for the use of their automobiles employ a graduated allowance. This is a drop from the 14.0% of a year ago. The policy is to pay a specific rate for a number of miles, and a smaller rate thereafter. The amount of reduction in the rates and the mileage at which the reduced rates become effective vary among companies. The starting rates range from 7 to 11 cents a mile, with 7 cents the most common. Although the majority of companies have only two gradations in the payments, five companies have three or more.

If the payment to the salesman is computed on a basis of 1,500 miles a month, the amount of reimbursement in the average company is 6.7 cents a mile—the same figure as a year ago. The payments at this mileage range from 5.5 cents to 8.4 cents a mile.

Companies employing the graduated mileage method have more additional allowances than those using the flat mileage rates.

¹ When branch plants are reported, they are treated as separate companies and included in this total.

Runzheimer Plan

The Runzheimer Plan is the method of payment for 8.8% of the companies whose salesmen drive their own automobiles. Last year 10.3% employed the plan. Mileage rates are given for designated areas which are chosen to fit each company's needs, and differ for city and rural driving. This plan takes into consideration the variable factors, such as terrain covered, cost of operating in the different areas and the make of the automobile driven. In addition, the salesman is reimbursed for depreciation by a set adjustment for each 1,000 miles.

Combined Allowance and Mileage Rate

A fixed periodic payment plus a mileage allowance is used by fifteen of the 205 companies, or 7.3%. This, too, is a decrease from a year ago when 14.7% of the total employed this method. The fixed allowance—computed on a monthly, weekly, or daily basis—is intended to cover the costs which do not vary directly with mileage, such as insurance, license fees, and depreciation. The mileage rate covers gas, oil, and other running expenses. On the basis of 1,500 miles, the median payment by this method is 6.8 cents a mile.

Standard Allowance Method and Others

Allowances of a set amount each week or month are paid by eight companies, or 3.9% of the group

whose salesmen drive their own automobiles. A year ago, 4.4% of the total were in this category. There is much variation in this group, with payments between \$15 and \$25 a month for salesmen of one firm, and \$60 and \$65 a month for those of another. Allowances of \$30, \$40, and \$60 were also reported. Seven companies employ salesmen on a commission basis with no automobile allowance, and twenty-one use miscellaneous or multiple plans for reimbursing salesmen for the use of their own automobiles.

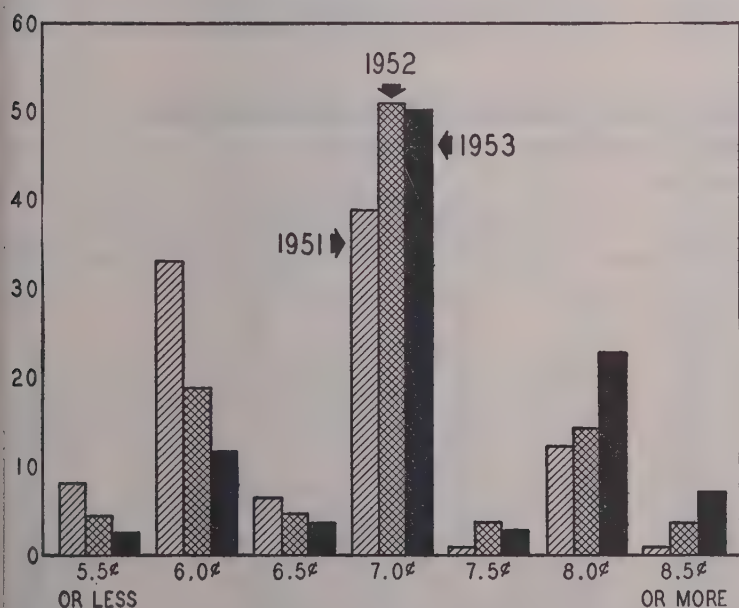
Variable Expenses—Salesmen-Owned Automobiles

Expenses such as tolls, fees, garage storage, and insurance are frequently paid in addition to specified allowances to the salesmen who drive their own automobiles. Over 90% of the companies employing graduated rates, those using the Runzheimer Plan, and those with a combined allowance and mileage rate pay tolls in addition. Whereas only slightly more than 70% of the companies employing the flat mileage method pay this expense. For all companies with salesmen's automobiles, tolls are paid by 83%.

Garage and parking fees are generally less frequently paid than tolls. On the average, two out of every three companies pay these fees. Insurance payments are made by still fewer companies. Those with comparatively low flat mileage rates pay this expense most frequently. Thirteen per cent of the group using flat mileage rates pay for the cost of liability and property

Chart 1: Flat Mileage Rates for 1951, 1952 and 1953

Per Cent of Companies

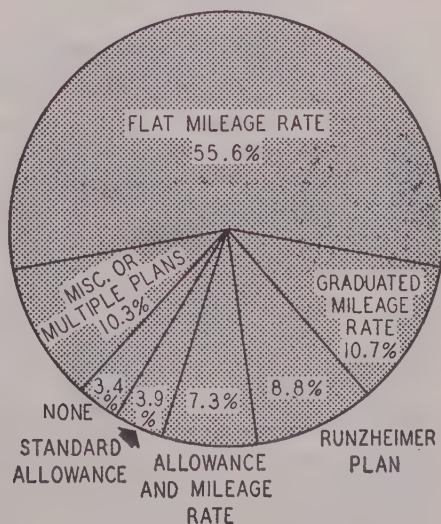


Source: The Conference Board

DECEMBER, 1953

Chart 2: Methods of Reimbursing Salesmen Using their own Automobiles on Company Business, 1953

205 COMPANIES = 100%



damage insurance, but only 7% pay for fire, theft and collision insurance.

For all companies with salesmen's automobiles, 21% pay liability and property damage; 12%, fire and theft; and 7%, collision. Automobile washing and towing are covered as extra allowances by less than 25% of the total firms with salesmen's automobiles. Companies who do not pay various extra expenses either include them in the specified allowances for the salesmen or consider them the salesmen's responsibility.

Automobile Ownership

Salesmen's automobiles are used exclusively by 46.9% of the companies surveyed—the predominant method of ownership. The firms using both salesmen's and company automobiles comprise the second largest group at 18.1% of the total. This is a smaller group than last year when 21.6% were in this classification. Company-owned automobiles are used exclusively by 16.2% of the total; and leased, by 4.2%. The latter group, however, rose from 3.1% a year ago. The combination of salesmen's and leased automobiles stands at 10.0% of the total; this is the category that showed the largest gain from 1952—6.6%.

Salesmen's automobiles are used by almost four out of every five companies—either exclusively or in combination with other plans. Company-owned vehicles are employed exclusively or in some combination by almost two out of every five companies, and leased automobiles, by almost one of every five companies.

Variable Expenses—Company and Leased Automobiles

About 95% of the firms providing company automobiles pay for tolls, garage, parking, washing, towing fees, and liability and property damage insurance as

valid automobile expense account items. A few companies limit the number of such expenses. Fire and theft and collision insurance are not so frequently paid, with 90% of the companies contributing to the first two, and 70%, the last. The firms with leased fleets pay fewer extra expenses. Over 90% accept tolls, garage, and parking fees as expense items. More than 80% pay for liability and property damage insurance; 75%, washing; and about 60%, fire, theft, and collision insurance—at least in part.

Driving Costs

The cooperating companies were asked in this survey for the estimated actual cost to the firms of the auto-

Table 2: Automobile Ownership

Ownership Plans	Number of Companies	Percentage of 260 Companies
<i>One plan exclusively</i>		
Salesmen's automobiles only	122	46.9
Company-owned automobiles only	42	16.2
Leased automobiles only	11	4.2
<i>Combination plans</i>		
Salesmen's and company automobiles	47	18.1
Salesmen's and leased automobiles	26	10.0
Company and leased automobiles	2	0.8
Salesmen's, company, and leased automobiles	10	3.8
Total companies surveyed	260	100.0
Total companies using salesmen's automobiles—exclusively or in combination	205	78.8
Total companies using company automobiles—exclusively or in combination	101	38.8
Total companies using leased automobiles—exclusively or in combination	49*	18.8

Source: THE CONFERENCE BOARD

* Column total exceeds the total of companies surveyed because of multiple answers.

Table 1: Percentage of Companies Using Salesmen-Owned Automobiles that Pay Expenses in Addition to Allowances

Methods of Reimbursing Salesmen*	Number of Companies	Tolls	Garage Storage	Parking Fees	Insurance			Auto Wash (away from home)	Towing Charges
					Liab. & Prop. Damage	Fire & Theft	Collision		
Flat mileage (cents per mile)									
5.5 or less	3	100%	67%	33%	67%	67%	67%	0%	0%
6.0	13	100	100	85	31	23	23	8	8
6.5	4	50	50	50	25	0	25	0	0
7.0	57	74	54	63	9	2	2	12	19
7.5	3	33	33	33	33	0	0	0	33
8.0	26	54	46	50	4	4	4	19	23
8.5 or more	8	75	75	25	12	12	0	25	25
Total flat mileage	114	71	59	58	13	7	7	13	18
Graduated	22	95	82	73	9	0	0	23	14
Runzheimer	13	94	100	100	41	41	6	18	53
Allowance and mileage	15	93	67	80	53	27	7	13	33
Standard allowance	8	75	63	63	38	13	0	38	25
Misc. and multiple	21	86	76	67	29	19	14	33	24
Total—all methods*	198	83	67	66	21	12	7	18	23

Source: THE CONFERENCE BOARD

* Does not include seven companies that pay straight commission without reimbursement to salesmen for automobile expenses.

mobiles driven by salesmen. Replies were given by 224 companies. Of those with salesmen's automobiles, the range of costs is from 5 cents to 12 cents a mile, with over 50% falling between 6.5 cents and 8.49 cents a mile. The most frequently reported class interval is that from 7 cents to 7.49 cents a mile. The costs of company-owned automobiles range from 3 cents to 12 cents a mile, with the middle 50% from 5.0 cents to 7.49 cents. The most frequently reported rates are between 5.0 cents and 5.49 cents. The cost of leased automobiles ranges from 4 cents to 9 cents a mile, with 50% of the cases within the rates from 5.5 to 7.49 cents a mile. More cases fall in the interval 6.5 to 6.9 cents than in any other throughout this range.

In the companies with two or more ownership plans in operation, the following comparisons are observed:

Twenty-two of thirty-one companies reporting both salesmen's and company-owned automobiles state that salesmen's automobiles are more expensive for the company; five give the same cost figure for both methods; and four find it costs more to operate com-

pany automobiles. The differences in the major group of twenty-two companies are from 0.2 cents to 3.2 cents a mile, with more than half reporting a difference of more than 1 cent.

Seventeen of twenty-four companies reporting both salesmen's and leased automobiles pay more for the use of the salesmen's vehicles; five report the same costs for both; and two pay more for the leased fleets. The range of the differences in the major group of seventeen companies is from 0.2 cents to 3.0 cents a mile, with over half reporting a difference of 1 cent or over.

Only one company reports the costs of a plan combining company-owned and leased automobiles, and for this company the leased plan is less expensive—by 0.6 cents a mile. In the eight companies with three ownership plans—salesmen's, company, and leased—mixed tendencies are indicated. The differences between any two plans, in all cases but one, are less than 1 cent a mile.

C. JOHN DICARA
Statistical Division

Briefs on Personnel Practices

Panel Guides Development Program

Management development in the Consolidated Edison Company is being guided by a newly appointed panel representing all departments of the company. Supervisors are selected by the panel for assignment in the job-rotation program. These tours, which cover from two to three years, involve staff or line job assignments in the major functional operations of the company.

The panel interviews candidates proposed by department heads and decides upon their acceptability for the program. Each trainee is interviewed every six months by the panel, together with interested department heads. During these interviews, trainees are given an opportunity to review their progress. Future assignments are decided on the basis of the showing each man makes.

They See Menu Week Ahead

A popular custom which has been resumed by the Switchgear Department of General Electric Company, Philadelphia, is the publication each Friday of the following week's menu for the plant restaurant and cafeteria. The menu appears in the employee paper, issued every Friday, and includes the main courses.

This plan was a popular feature in former years but was discontinued during the days of meat shortages. It gives employees a chance to inform the cooks in their respective households—wives, mothers and so

on—what they'll be eating for lunch and thus enables them to avoid duplicating at home the meal they've had at work the same day. And for those who carry their lunches part of the time, it provides an opportunity to decide what days to plan on eating in the company cafeteria or restaurant.

Soup Kitchen Proves Popular

A year's trial of a soup kitchen for employees at one of the suburban stores of The Halle Bros. Co. in Cleveland, Ohio, has shown it to be a successful feature for quick and light lunches.

The idea for the soup kitchen was the result of an attempt to find an inexpensive, conveniently located lunching facility for the store personnel. There are restaurants in the shopping area where the store is located but many employees wanted more of an inexpensive snack-type place to eat.

The soup kitchen was installed in the employee lounge which is fifteen by twenty feet in size. Soups, juices, chili and coffee are available. Several small heating units are used to prepare the items and a refrigerator has been installed for cooling the juices. A maid is responsible for preparing the food and keeping the place clean. Purchase of the canned foods is handled by the office manager. The price of the food ranges from 10 cents to 25 cents. The soup kitchen is self-supporting.

Selecting and Training Sales Supervisors and Executives

A summary of a part of the proceedings at a Round Table conference at the 342nd Meeting of the National Industrial Conference Board is presented here. Charles J. Zimmerman, Managing Director of the Life Insurance Agency Management Association, acted as chairman. Among those participating in the meeting were:

Charles L. Lapp, Associate Professor of Marketing, Washington University

Ernest H. Reed, Manager, Education and Personnel Department, International Harvester Company

Hoke S. Simpson, Director of Personnel Administration, Vick Chemical Company

CHAIRMAN ZIMMERMAN: For many years we have devoted a great deal of time, energy, and money in the area of selecting and training salesmen. But we realize now that it is more logical and more important to work in the area of selecting and training sales managers. No sales force can rise higher than the level of its sales management force.

Recent studies in the life insurance business show that you can predict with fair accuracy the degree of success of a salesman entirely on the basis of the way he is selected and trained by his manager. The expectancy of success with one manager, indeed, may be as much as three times as great as with another manager. It seems to me this single fact is enough to point up the importance and seriousness of our discussion.

The Forgotten Man

—Charles L. Lapp—

THE MATERIAL I wish to present comes from a large number of personal interviews, surveys, personal letters from salesmen and sales executives, and from customers.

In far too many companies the sales supervisor, that is the immediate supervisor of salesmen, has been the forgotten man. I wish to discuss this from four viewpoints—that of the customer, the salesman, the supervisor himself, and the management of the company.

Customers tell us there are ten major shortcomings limiting the success of salesmen out on the road—and every one of them may be attributed to deficiencies in

the selection and training of the sales supervisors. The ten shortcomings are:

- *Disbelief:* Some salesmen don't really believe in their product or in their company or in the importance of real selling as contrasted with mere order taking
- *Lack of product information*
- *Poor physical appearance and slovenly dress*
- *Insincerity, unreliability, and independability:* Telling half-truths; making promises that are not kept, etc.
- *Lack of planning:* Calling too frequently or not frequently enough. Lack of a businesslike approach
- *Improper selling techniques*
- *Pessimism*
- *Failure to consider customers' problems and to offer help*
- *Going it alone:* Failure to coordinate the sales effort, to use the help of advertising, or the help of the supervisor, etc.
- *Lack of personal development and improvement*

Now let us look at the supervisor from the point of view of one of his salesmen. This salesman might say: "My supervisor is a super salesman. He's a swell guy. But he's only a mediocre manager of men." Or, "I lose more sales through the attitude of my supervisor than I do through the activities of competitors or through the resistance of customers."

Some salesmen say their supervisors have superior attitudes, that they are haughty, cocky, and domineering. They say their supervisors play favorites, grab the glory and sometimes even the commission. Or that they are grouchy and pessimistic and uninterested in anyone else's problems.

Many salesmen tell us they would sell more if they had the benefit of better supervision. They want personalized, individualized supervision.

How does the sales supervisor—our forgotten man—regard his own situation? Thirty-eight per cent of a group of 6,224 supervisors told me they were given no training whatsoever for their jobs, and another 36% said they were given only a few hours of training. A mere 15.5% felt that they had received adequate in-

initial training. And the picture was no less discouraging when we asked about the continued training given these same supervisors—34% reported that they had received none since assuming their supervisory duties, 46% reported “a little,” and 18% reported “enough.”

What does a company stand to gain from a well-conceived program of selection and training for its sales supervisors and executives? What are the objectives?

A supervisor should be capable of planning and organizing his sales force. He should be able to develop a balanced, effective program of continuous, individualized training for his men. He should be able to motivate them and to communicate with them—to communicate their ideas up, as well as top management's ideas down.

A company should know what it wants its sales supervisors to do, but only 15% of sales executives told me they had made an analysis of the supervisor's job. Yet such a job analysis is an essential cornerstone of any program of selecting and developing better sales supervisors.

It is also necessary to establish standards to measure whether a supervisor is doing a good job or not—and just how good or how poor. But only 9% of the executives I talked with said they had such standards.

A program such as we are talking about today will help a company reduce its loss of sales personnel. It will reduce customer complaints. And it will result in a manpower reserve that will make orderly promotions from within the organization possible. By any standard you went to use, a competitive advantage in selling effectiveness of 20% to 30% should be realized from such a program.

Training Methods

Ernest H. Reed

I WOULD LIKE to talk, first, about a few basic principles that apply in your selection of training methods and your adaptation and usage of them. Second, I would like to take issue with some of the things that we are doing in this field at the present time. Third, and lastly, I would like to make a few comments and constructive suggestions about things we might specifically and directly do.

Many people would say rather quickly and perhaps rather bluntly, “There is no substitute for experience, and, by gosh, that's the only way you learn to be a sales supervisor.” And I would agree. That's absolutely true. Anything we do and any method we use in a training program for sales management is at best a substitute for the actual experience, or it is an at-

tempt to organize meaningful experiences and parade them past an individual just as rapidly as it is humanly possible to do.

Secondly, let's use the gun to fit the job, depending on your particular organization, your particular people, and what your needs are. There is no one training method, no one system that is better than any other for all purposes.

Third, when we start training anybody in American business and industry, let's remember we are dealing with adults, not children. When we went to school, we were subject to the methods then in vogue, and it was largely an additive process. The teacher was good, the textbook was good, we accepted it all at face value.

Then one day you and I got out of school and how we changed! We no longer accepted things at face value. We had ideas, we had opinions, we had background, we had experiences of our own. Unless the things that were being presented to us joined or somehow tied in with something we had already experienced or felt, it didn't click.

Fourth, training is a line function. Staff men may help, offer advice, and counsel. But the responsibility for training comes right down to each supervisor.

Now for three indictments. One of them is the matter of fads, both from the standpoint of whether or not we have a program, and what methods we use in connection with it.

Somehow in the training field we have gotten to be tremendously fadist people. We buy things just because other people are buying them. The others have a certain sales training program; we ought to start one like it. We don't know specifically what it is we are trying to do. But it's a fad—let's start one! Role playing is the order of the day, so let's do lots of it! It doesn't make much difference whether it fits the specific situation or not. Case studies are doing well now. Let's run some of them! Preoccupied with getting on the bandwagon, we forget all the really basic things.

Secondly, I have seen in this country today no major and widespread instance in which on-the-job training is being done effectively and well at the managerial level. On lower levels, yes. But it stops right there. Management training is not organized and fails to get these meaningful experiences past these people as rapidly as is humanly possible.

A third indictment is that we rely entirely too much in the sales training field on the telling process.

How many times have you heard it said in your organization, “I don't know why they don't do it. I told them.” That old telling process failed to take, and the training still didn't become meaningful, it still didn't get in and become a part of those people for any one of a half dozen reasons.

Now let's turn to the positive side. The first suggestion I'd like to make is one that ties in closely with some of the things that have been said this morning.

As a basis for what you do and how you do it, go back to the people who are getting the training and find out what it is they think they need and how they think they can best get it.

A few months ago, I called on a rather large number of top executives in our company and asked them a series of questions. I asked this kind of question: "As you look back on what you have done in the past, what things impress you as having been most valuable to you in terms of experiences during your educational years? Which people have made the greatest impression on you, and which jobs have contributed most to your advancement?"

If you haven't tried something like this, I recommend it to you. Some rather startling things emerged, and a definite pattern could be seen very quickly. Without a single exception, each executive had had at one stage in his career a certain kind of a boss. He was a high-delegating, high-expectancy type boss who didn't tell you in too much detail how to dot the i's and cross the t's. But he expected performance, he gave you responsibility for it, and you knew how you stood with him. Each of these men had a boss of that kind, and had him in the first six or seven years of his managerial career.

As a training method, perhaps we should expose our potential first-level supervisors to that kind of boss, or even expose upper-level men to that kind of a boss as quickly as possible.

Another sort of thing that crops up and seems to attract considerable attention in this field—and I think it is significant and important—is the value of special duty assignments. Each of these men had a certain kind of job experience which stood out as being especially valuable. It was not a typical International Harvester job, as we define it, but rather it was a special assignment sort of thing for which they had responsibility, individually, or as part of a committee. It was a pretty important job, it was fairly wide in its implications, and it probably occurred at an early stage in their careers.

My final point is a very simple one. It concerns the whole matter of individual development. After you have done an analysis of what the individual needs, then draw up a check list to make sure that the things get done. We all do this for beginning jobs. Why do less for a sales management man? Why trust to luck?

Foundations of a Program

Hoke S. Simpson

THERE ARE five foundation stones of sales supervisory selection and training which I should like to identify and to describe briefly. They are: manage-

ment philosophy, organization planning, selection, appraisal, and planned individual development.

Management philosophy is an intangible, but it can become very meaningful as we pursue this subject. Where do we stand? Do we really believe in good selection and in good training, and are we willing to make the necessary expenditures of time and effort to accomplish our objectives? Some companies, following a laissez-faire philosophy, say that the cream will rise automatically to the top and that the best methods will become known and followed by experience.

But an increasing number of organizations today believe they can assist the "cream process" by using a separator. And they have long ago discarded the trial and error learning method as slow, uncertain, and inefficient.

Two aspects of the broad subject of organization planning are important to this discussion—the quantitative and the qualitative. A study of your organization chart will give you some idea of the probable number of replacements you will need during the next three or five years. You will find that this number of "normal" replacements, due to retirements and deaths, will have to be multiplied several times to fill all the vacancies which will occur—due to illnesses, resignations, and the needs of an expanding organization.

The qualitative aspects of organization planning have to do with job description, job specifications, and manpower specifications. If you ask a number of sales supervisors, district sales managers and sales executives if they know what a sales supervisor is supposed to do, they will all proceed to tell you. I know because I tried this. But here's the trouble—each group gave me a different answer, and I didn't get agreement within any of the groups. So you can see the necessity for getting a description down on paper, and getting agreement on it.

The third foundation stone is that of selection. I wish to make just one point: One of the important times to think of filling the job of vice-president in charge of sales is when you are hiring your next salesman.

Appraisal may be called "evaluation" or "review of performance." We don't do it in mathematical terms because we don't think you can talk about people that way. But we try to make our evaluations on an objective basis, as far as possible. To be reliable, they must be based on solid evidence. It is important to appraise the potential of a sales supervisor for growth and promotion, as well as to appraise his present job performance.

The last foundation stone is called planned individual development. This is the payoff. It is the work we do with people, with the individual members of our organization, that counts most. As a vice-president of our company said recently, "What we need is more 'people work' and less paper work."

Discussion

QUESTION: Mr. Simpson, do you think it is a good idea to give the results of an appraisal to the person who has been appraised? And depending on your answer to that, what do you do about it if you do give it to him?

MR. SIMPSON: In my opinion, the person appraised should definitely have the results.

Let's look at the three basic reasons for these appraisals. One is to insure to the degree possible the objective review of performance, and to some degree you can accomplish that when you fill out a form. Another reason for having the appraisal is to promote understanding between the supervisor and the individual. A third reason is to identify the strengths and needs of the individual. Presumably the needs will be followed up with some plan of training or development experience. But before that can take, the individual who is on the receiving end has got to recognize the need for it.

QUESTION: In the discussion of your appraisal do you or do you not discuss the man's potential—what is in store for him? If you do, how do you handle it? And if you do not, how do you avoid it?

MR. SIMPSON: This is a bit of a problem, and we are having some very interesting sessions with all our line management on it. What we actually do at the present time is tell each executive that he may discuss it or not, as he sees fit.

My personal opinion is that it is desirable to bring it up yourself and meet it head on. You can think of a lot of reasons for not doing that. Actually, it doesn't come up from the subordinate's point of view as often as you think it does in these discussions. If the discussions are constructive and based on long relationships, the matter of, "Do you think I am going to be the president of the company some day?" seldom arises. The matter of, "When am I going to move somewhere else?" could easily come up, and obviously you should deal with it constructively.

QUESTION: To what extent are formalized tests and interviews used in considering applicants for sales supervisory positions? If you use them, to what extent do you find them reliable in producing a basis for decision in hiring?

MR. REED: We use tests in some locations and we don't in others. But I state this pretty emphatically—unless you are willing to spend enough time and effort to assure yourself that whatever tests you may be using have validity in your situation, I'd recommend you stop fooling with them. The mere fact that something works in the XYZ company does not mean that

it is going to work in your company and with your sales organization.

CHAIRMAN ZIMMERMAN: I would like to add a word to that. We have worked with some 200 life insurance companies in testing perhaps 120,000 prospective salesmen a year and in getting their records of production. We have developed a selection test for salesmen which we are satisfied is doing a good job, based on the records of what these men do in the field.

We have been working also for about fourteen years on trying to develop a test for the selection of sales supervisors, and it is a very discouraging process for a number of reasons. We have used a great many tests which are being used by industry generally to discover if they have any validity in our particular business. Thus far our search has been fruitless.

MR. LAPP: According to one survey about 20% of all companies use tests in hiring employees.

I tried to find the answer in the sales area and can report that less than 2% of the companies said that they used tests to hire a supervisor or to promote a man from salesman to sales supervisor. But where they do, they have specific tests.

PSYCHOLOGIST FROM AUDIENCE: May I offer a comment, please? You gentlemen really are expecting too much of existing tests. You cannot find a battery of tests which will measure the complex things you are talking about. There are no such tests.

Now when people talk about validating tests, what they mean, for example, is this—how important is intelligence? And by intelligence they mean what is measured by a particular test. How important is the test score in this particular job? That's all you can measure.

But as the speakers have pointed out, there are so many other things that are important in job success and sales success, and in sales supervision success, that you cannot say some particular test does not predict well enough. The test may have predicted accurately how intelligent the man is. Or it may have revealed something about his personality, but all the other things that go for making success on that job were not measured.

Now, the gentleman who says, "How can we use tests to predict sales supervision success?" is really saying, "Are these limited factors that are now measured by tests the only things that predict success?" The answer is obviously no, and if you have been observing your salesmen, you will have been observing all these other things that cannot be measured now by the usual tests.

So, if a test battery falls down, it falls down because all those other factors have played so important a role. The tests predicted. But you didn't pay attention to the other things that the tests could not predict.

CIO Sets 1954 Policies

THE CIO's 1953 convention saw its new president, Walter Reuther, in a much stronger position and with a more united CIO than existed during the 1952 convention. But the old wounds of the previous convention were not fully healed. CIO Steelworker President David J. McDonald, for example, scheduled joint union-management visits to United States Steel Corporation plants in the Cleveland area during the convention week, and therefore did not attend many of the sessions. While a number of delegates indicated that they were still far from happy with the new Reuther regime, others who voted against Walter Reuther in 1952 indicated that they had ceased their personal feuding with him and were going along with his program.

The highlights of the convention were:

- Ratification of the AFL-CIO no-raid pact, but at the same time the CIO set up special safeguards to prevent the no-raid agreement from becoming a unilateral disarmament pact.
- Secretary of Labor Mitchell's first speech in which he set forth the Administration's criteria for Taft-Hartley amendments.
- Establishment of a legislative program with the announced purpose of using it as the CIO's platform for the 1954 congressional elections.

RATIFY AFL-CIO NO-RAID PACT

While the CIO convention voted for the two-year AFL-CIO no-raid pact scheduled to go into effect next January 1, the delegates publicly and privately expressed the opinion that raiding would continue after the January 1 deadline. Outside of pact approval by individual AFL and CIO unions, the convention action represented final sanction of the AFL-CIO no-raid agreement.¹

Two CIO unions, the Shipbuilders and the Lithographers, have indicated that they do not intend to sign the agreement. And Dave Beck, president of the AFL's largest union, says that the Teamsters will not even consider signing until his executive board meets in February, 1954. This union was the target of particularly strong CIO language. One resolution, for example, charged the Teamsters with trying to "swallow whole" the CIO Brewery Workers' union. Upon failure of this effort, the CIO charges the Teamsters with presently

seeking "to break up the Brewery Workers' union and absorb it piecemeal."¹

The CIO took steps to make certain that it did not unilaterally disarm itself while the Teamsters and other AFL unions were free to raid because they had not signed the pact. The plan calls for the major CIO unions to sign the no-raid pact before the end of the year but for the signatures to be deposited with the CIO national headquarters in Washington. There will be no exchange of signatures between the two bodies until AFL President George Meany notifies Mr. Reuther that all of the big AFL unions, and particularly the Teamsters, have signed the pact.

MITCHELL OUTLINES PROGRAM

The new Secretary of Labor, James P. Mitchell, made his first speech to the CIO convention. On the whole he was accorded a friendly but not enthusiastic reception. In introducing Mr. Mitchell, Mr. Reuther called him his "personal friend."

Mr. Mitchell gave what he termed the "Administration's position" on Taft-Hartley Act amendments. He said that in determining what amendments are necessary, he will oppose any proposal that:

- Leaves the government powerless to deal with national emergency strikes.
- Makes it easier for communists or racketeers to control labor organizations.
- Encourages unions or union officials to be irresponsible.
- Permits employers to escape their obligation to bargain collectively.
- Makes the federal law a device for breaking or undermining unions.
- Punishes undeservedly unions, employers or individual workers.
- Defeats the demonstrated, democratic will and desires of the majority of the workers.

The Eisenhower Administration, said Mr. Mitchell, will oppose carrying labor problems "into the White House by the back stairs, as was the case too often in the past." Instead, he said, all labor problems will be handled through "established clear lines of government authority."

Best received by the delegates of all the Mitchell proposals was the one dealing with removing exemp-

¹ For details of AFL-CIO no-raid pact, see October, 1953, *Management Record*, p. 363.

¹ See "Labor Press Highlights," p. 456.

tions in the present minimum wage law. Mr. Mitchell said that of the 63 million workers in the United States, 20 million were exempt from the 75 cent minimum wage because they were farm operators, worked as public employees, were in the professions, or were self-employed. In addition, he said another 3 million were employed in local businesses that were not covered by federal statute. Of the 40 million remaining workers, he said he found to his surprise that 18 million were exempt from the minimum wage law "because of the general language of the act or because specific language exempted the industries or work places in which they were employed." Mr. Mitchell came out for wage-hour act coverage of these workers and laid down the following four avenues of action which he said the Department of Labor will take:

1. Examine the categories of exemption and exclusion and explore the possibility of bringing additional workers under coverage of the wage-hour law.
2. Encourage through the work of the Bureau of Labor Standards and the Women's Bureau the development of minimum wage laws in the states.
3. Intensify the enforcement of the wage-hour law (Fair Labor Standards Act).
4. Increase the present 75-cent-an-hour minimum.

CIO LEGISLATIVE PROGRAM

The CIO set up the following legislative program for the 83rd Congress and for "the political campaigns and elections of 1954":

1. Replace the Taft-Hartley Act with a "labor relations law patterned substantially after the Wagner Act."
2. Plan an economic program which will promote an

expanding economy with full employment, expanding production and increasing purchasing power.

3. Amend the Fair Labor Standards Act to provide a minimum wage of at least \$1.25 an hour and to extend its coverage to all workers engaged in commerce or in industries affecting commerce.

4. Improve Social Security laws to establish social insurance for all, covering the hazards of old age, survivorship, permanent and total disability, temporary disability, unemployment, and costs of medical care.

5. Enact a national health program, including national health insurance, expanded federal aid to medical research and to state and local public health units, federal aid to medical and nursing education and to medical cooperatives and more generous federal grants for hospital construction.

6. Establish uniform federal standards and codes for industrial health and safety and for workmen's compensation.

7. Revise the tax structure so as to provide increased exemptions for taxpayers in the lowest brackets, and close existing tax loopholes.

8. Oppose sales tax and manufacturers' excise tax.

9. Re-establish a lending agency to help small business and new enterprise with development loans not ordinarily available from commercial banks.

10. Repeal or drastically amend the Subversive Activities Control Act.

11. Grant statehood to Alaska and Hawaii, and home rule for the District of Columbia.

12. Abolish the electoral college to provide for direct election of President and Vice President.

JAMES J. BAMBRICK, JR.

Division of Personnel Administration

Management Book Shelf

Management Succession in Small and Growing Enterprises—The problem of providing for continuity of leadership is most often neglected in the small or rapidly growing enterprise. Based on a study of a hundred companies, this volume outlines those practices which have successfully provided for unbroken succession in management. The author points to steps which can be taken by the present management and also to sources of outside help. He investigates a variety of problems which complicate administration of the company at various stages of development and suggests some remedies that have proved helpful under operating conditions. *By C. Roland Christensen, Harvard Business School, Division of Research, Soldiers Field, Boston 63, Massachusetts, 1953, 217 pp. \$3.25.*

Outline of Executive Development—This manual contains an outline of the more important areas of management and executive development. Based on subject matter presented at the summer conferences on executive and

managerial development at the California Institute of Technology, the report is designed for use in program development and for reference purposes.

The inclusion of policy-making and organization-planning material in the outline helps give a more rounded picture than is usually found of the over-all problem of developing an organization structure and keeping it staffed with effective managers. *Bulletin Number 23, Industrial Relations Section, California Institute of Technology, Pasadena, California, 1953, 46 pp. \$2.*

Management Development—A recent bibliography containing a list of books and articles all concerned with some phase of management development. References are classified as basic material, selection and appraisal, development methods, health of executives, and company programs. *The W. E. Upjohn Institute for Community Research, 709 South Westnedge Avenue, Kalamazoo, Michigan, April, 1953. No price is listed.*

THE GUARANTEED WEEKLY WAGE

"MORE NOW" was Samuel Gompers' motto for the thirty-seven years he was president of the AFL. "More now" is still the motto of union leaders as they look at the guaranteed annual wage. The "more" they want "now," as a down payment on the annual wage, is a guaranteed weekly wage.

Leaders of some unions are attempting to secure the guaranteed weekly wage directly through negotiations. Equally important, some are attempting to secure it indirectly through arbitration. They hinge their case on a clause common to almost all contracts—the definition of a standard workweek—and contend that this means a guarantee of a full week's work for any week that an employee starts work.

Guarantee Time

One of the unions that has attempted to secure a guaranteed annual wage in its contracts is the United Packinghouse Workers, CIO.¹ However, the leaders of this union have settled for a guaranteed weekly wage in a considerable number of their contracts. These guaranteed weekly wage clauses written into their contracts generally follow a set pattern. An example of this pattern is the following clause in the contract between the Tobin Packing Company and the CIO Packinghouse Workers:

"The company will guarantee a minimum of thirty-six hours of work per week for all employees, or wages in lieu thereof, subject to the following provisions:

"Employees who are laid off up to and including the close of the second workday of the week will not be paid any guarantee but will be paid only for the hours actually worked. It is understood, however, that if any employees are recalled to work in their regular seniority turn, in the same workweek in which laid off, they still be guaranteed the minimum of thirty-six hours. The company is to give the union three calendar days advance notice of intent to lay off.

"Employees who are tardy or are excused in advance from work by the foreman, shall have the thirty-six-hour guarantee reduced by the number of hours that the gang worked on the day when he was absent. Any employee who does not accept extra work offered within his department seniority shall have the thirty-six-hour guarantee reduced by the number of hours of work missed by such refusal.

"Employees who are reemployed after the beginning of

the payroll week shall be guaranteed that portion of thirty-six hours which the gang has not worked that week.

"The application of the thirty-six-hour guarantee shall be the same in holiday weeks as in all others."

Steelworker Clauses

The CIO Steelworkers is another union actively seeking a guaranteed wage. In its May, 1950, negotiations with the United States Steel Company, the Steelworkers' union attempted to get a guaranteed biweekly wage clause in the contract covering salaried employees. The clause that the company and the union finally evolved reads as follows:

"2. Each biweekly salary rate established under the foregoing paragraph 1 is recognized as the rate of fair pay for fair performance and is the established biweekly salary rate of pay for an employee scheduled for eighty hours of work, provided:

"a. In the instance where pursuant to subsection 13-J an employee is scheduled for less than eighty hours of work the applicable biweekly salary rate is the established base from which to calculate the proportional biweekly salary rate.

"b. The company may authorize absence from work within a biweekly pay period without reduction of the biweekly salary rate. This paragraph does not affect the status, if any, which management's actions in heretofore permitting authorized absences without deduction from salary may have had under the May 31, 1947, agreement prior to the amendment of May 6, 1950.

"c. Nothing in this agreement shall require payment for time not worked during a biweekly pay period due to causes such as:

"(1) Strikes or work stoppages in connection with labor disputes in or about the plants and/or offices.

"(2) Refusal of the employee to perform the work to which assigned.

"(3) Absence from work without just cause.

"(4) Voluntary absence from work.

"(5) Justifiable discharge or suspension from work."

The section 13-J referred to in the above clause reads as follows:

"Prior to the commencement of any biweekly pay period, management may, as to any employee or group of employees, instead of decreasing the force, seek concurrence of the grievance committee to divide work on a proportional pay basis, and in the event of disagreement,

¹It has secured such a clause in its contract with the Revere Sugar Refinery. See *Management Record*, January, 1952, page 21.

management shall not schedule the employees on a basis of less than forty hours per week but shall reduce the force."

The CIO Steelworkers claim that the above clauses represent a form of guaranteed biweekly wages for its salaried workers.

A more clear-cut example of a guaranteed weekly wage clause occurs in a southern manufacturer's contract with the CIO Steelworkers:

"Weekly Guarantee Rate—Each employee of the company who is continuously employed and whose services are available to the company is guaranteed a minimum weekly wage for each week during the life of this contract, and the company agrees to make up the difference to the employee who does not receive a sum equal to the minimum as outlined below.

"The guaranteed minimum weekly wage shall be computed in the following manner:

"The individual employee's straight-time average hourly rate of earnings for the year preceding the effective date of this contract, or such portion thereof during which the employee may have been employed by the company, plus the general wage adjustments included in this agreement, shall be multiplied by forty hours."

Seek Weekly Wage In Arbitration

Instead of a direct bid in negotiations for a guaranteed weekly wage clause, some unions seek to gain this same goal through the arbitration process. Their case to the arbitrator is that the "standard workweek" clause means a guarantee of a full week's work for any week in which an employee starts work. For example, in the Hampden Sales Association case,¹ the CIO Retail, Wholesale and Department Store Union hinged its case on this clause in its contract:

"The regular working hours under this agreement shall be a full week of forty hours per week, eight hours per day, five days per week, Monday to Friday inclusive."

The union contended that under this provision employees are guaranteed forty hours a week, and that no employee may be laid off during the workweek without full pay for the week during which the layoff occurred. The company, on the other hand, contended that this section of the agreement simply defines the normal working hours as a basis of mutual understanding of the terms of employment and compensation, and that it in no way afforded a guarantee that all employees will be engaged for the full forty hours of each week.

The arbitrator upheld the union's viewpoint. In upholding the union he said that the contract clause specified "a full week" of forty hours. Other reasons that he gave in his decision are: (1) The agreement covers weekly paid employees under weekly rates; (2)

¹ Hampden Sales Association, Inc. and Retail, Wholesale and Department Store Union, Wholesale and Warehouse Workers Union Local 65, 12 LA 62.

The issue being arbitrated applied to permanent employees, i.e. those employed more than four weeks; (3) "It appears to be general practice, regardless of the wording of the agreements, in related industries operating under agreement with the [same] union to lay persons off only at the end of the workweek."

On the basis of the above reasoning, the arbitrator made this award:

"Layoffs of permanent employees should be made effective as of the end of the workweek, as defined and agreed upon by the company and the union; and such employees, when laid off, should receive full pay for the workweek in which the layoff occurs."

Most Arbitrators Rule Against It

While in the Hampden Sales Association case the arbitrator ruled in favor of the union's claim that the standard workweek clause calls for a guaranteed weekly wage, analysis of a number of similar cases indicates that such an award is the exception rather than the rule.¹ In the American Agricultural Chemical Company case,² for example, the union asked for a day's pay under the contract's "normal workweek" clause when the employer closed the plant on the day preceding a holiday and thereby reduced the workweek to thirty-two hours. The arbitrator ruled that the "reference to 'normal workweek' expressed [in the contract] in no way requires the company to operate five days in any given week to assure employees of forty hours of work."

Employee Hostage Gets 75% of Salary

The union contract between an airline and the Air Carrier Mechanics Association sets up conditions whereby an employee who is interned or held as a hostage becomes entitled to a monthly compensation of 75% of his average monthly straight-time base pay during the preceding six-month period. This clause reads:

"Missing, interned or hostage:

"Any employee assigned under this agreement who, during his regular hours of work which shall include the normal necessary travel time going to and from his work, becomes involuntarily missing or is interned or held as a hostage, shall be entitled to a monthly compensation of 75% of his average monthly straight-time base pay during the preceding six months, payable for the following periods:

¹ Cases in which the arbitrator ruled against the union on the guaranteed weekly wage issue are:

Timken Detroit Axle Co., 6 LA 926

International Window Cleaning Co., 10 LA 312

Geuder, Paeschke & Frey Co., 12 LA 1163

Tin Processing Corp., 16 LA 295

American Agricultural Chemical Co., 18 LA 625

Campbell Soup Co., 20 LA 70

² American Agricultural Chemical Company and International Chemical Workers Union, AFL, 18 LA 625.

"a. Until such employee is released from internment or hostage; or

"b. If such employee is missing, until proof of death is established in fact or there is a reasonable presumption of death; provided, however, that the maximum payments to be made by the company in any such event shall be twenty-four monthly payments."

Procedure for Company Grievances

Most union contracts contain elaborate grievance procedures for the relief of aggrieved employees or the union. Procedures set up specifically for the benefit of the employer, however, occur infrequently. The contract between an eastern utility company and the International Brotherhood of Electrical Workers, AFL, sets out in detail the grievance steps to be taken for the adjustment of company complaints. The final step is arbitration. This clause states:

"In the event the company believes itself aggrieved because of any matter in connection with this agreement, or because of failure of members of the Brotherhood to

comply with the terms of this agreement, it shall reduce its complaint or grievance to writing and present it to the local officers of the Brotherhood. Any complaint or grievance so presented on behalf of the company shall receive immediate consideration by said officers and the local union's executive board and a settlement shall be arrived at, if possible, within a period of ten days after date of the filing of the complaint or grievance. In case a settlement cannot be arrived at between the company and the local union's executive board, the matter in dispute shall be referred by the company to the international officers of the Brotherhood. If a settlement is not arrived at between the company and the international officers within a further period of thirty days, or within such additional time as may be mutually agreed upon by the company and the international officers of the Brotherhood, the matter in dispute shall then be referred by the company to the arbitration board as provided in Article IX of this agreement and the procedure therein provided shall be followed by both the company and the Brotherhood in arbitrating any such complaint or grievance."

JAMES J. BAMBRICK, JR.

Division of Personnel Administration

Briefs on

PENSIONS AND OTHER BENEFITS

Toward a Happy Retirement

Keeping in touch with retired employees and preparing present older employees for retirement is of increasing concern to many companies. One means of accomplishing these objectives is the employee magazine or newspaper. In the course of the past several months, THE CONFERENCE BOARD has received a number of special publications devoted to retired employees and their activities.

For example, Sargent and Company contacted its retired employees to find out how they were and what they were doing. The results of this survey have been "very gratifying," as most of the retirees were anxious to let the company know about their activities. A special issue of its employee magazine *Keyways* gives a graphic account of the lives of these older people through pictures and accounts of their activities and hobbies. As stated in the magazine, "The activities of some of these people would be enough to keep a much younger person gasping for breath."

* * *

Another special publication has been issued by McKesson and Robbins, Inc. This commemorates the tenth anniversary of its retirement plan and follows the

format of *Life*. The magazine is illustrated with many photographs and is entitled *Life Begins at 65*. Here, too, the activities of retired employees are featured, but the problem of preparing older workers for retirement is not overlooked. The foreword states: "This is the story of the McKesson retirement plan told by retired employees. . . . It is also the story of the plan as applied to present employees. . . . We hope that this publication will give information, guidance, understanding and inspiration to plan for your own retirement well ahead of time."

A number of companies are publishing special newspapers for their retired employees. Among them are *The Old Timer*, (Pabst Brewing Company) and *Dun-workin' Digest*, (Northwestern Mutual Life Insurance Company). The Metropolitan Life Insurance Company is also publishing a four-page quarterly newsletter for its retired employees, entitled *Supplement*.

News of Thrift and Investment Plans

The Oil Workers International Union, CIO, has challenged the right of the Richfield Oil Company to adopt an employee stock purchase plan without first

obtaining the union's consent, according to a report in *The New York Times*. The union contends that the plan is a form of compensation, and therefore subject to collective bargaining. Under the plan the company's contributions, which are geared to the employee's contributions, are to be held in trust until the employee retires, while the employee's allotments are used to purchase company stock.

* * *

Dow Chemical Company has recently announced that it is postponing its periodic offer of common stock for sale to employees and stockholders. The company's president stated, however, that "this does not mean that such offerings are being discontinued."

* * *

Westinghouse Electric is again offering shares of common stock to employees. A letter has been sent to all employees' homes informing them how they may participate in the plan. Largely as a result of the employee stock plan, more than 26,000 employees are part owners of the company, whereas eight years ago there were only 254 employee stockholders.

Profit Sharing

A record wage dividend of the Eastman Kodak Company will be paid in March, according to the dividend action taken November 17. This wage dividend, which amounts to \$24,900,000, will be paid to some 55,000 Kodak employees in the United States. Eligible employees will receive \$27.75 for each \$1,000 earned during the five-year period 1949 through 1953.

* * *

A deferred-distribution profit-sharing plan has been adopted by the Frank H. Lee Company of Danbury, Connecticut. The company will set aside 30% of its net profit, before taxes, in a trust fund to be used for retirement benefits.

Steelworkers' Demands

The United Steelworkers, CIO, are setting their sights on demands for pension and insurance programs in 1954 when their present contracts expire. While no definite demand has been made as to the amount of pension that the union will ask of the steel companies, various proposals have been made that the pension be increased from \$100 a month to \$175 or \$200 a month, exclusive of Social Security.

As a preliminary step, the Steelworkers have sent a seventeen-page questionnaire to employers with whom they have agreements. Not only does this form ask for

information on the features of the pension and insurance plans in force but it also asks for the amounts of receipts and expenditures under them.

GE Baby Derby

One hundred and eighty-two GE babies have each received five shares of General Electric stock under the "baby derby day." The company had announced that all babies born to GE employees on the company's anniversary date (October 15) would receive the stock, and it was estimated that the baby crop might total thirteen. Although many more babies were born on that date than was anticipated, the company announced that its offer still stood, but because of the "tremendous" number of births, delivery of the stock would be slowed down somewhat. On "derby day," GE common stock opened on the exchange at \$76 and closed at \$78.875.

Insurance for Pensioners

Retired employees of the Cleveland Twist Drill Company with at least fifteen years' service now have the opportunity of lifetime enrollment in the company's Blue Cross full-payment plan. The company and the pensioner share the cost on a fifty-fifty basis.

Bringing the Benefits of Insurance into the Home

Continental Can Company, Inc., has devised an unusual approach to the problem of keeping employees and their families informed and interested in the company's benefit programs. Continental recently staged a contest for which only the wives of its employees were eligible. They were invited to submit entries of fifty words or less on the subject, "What the Triple-C Insurance Plan Means to Our Family."

Straightforwardness and sincerity rather than slick advertising-type slogans were the main standards in judging the entries. The judges were: an executive of the insurance company that underwrites the plan; a staff member of an independent research organization; and an executive of Continental Can.

Ten winners were selected from the hundreds of entries from Continental plants in the United States and Canada. First prize was a wrist watch; second, a portable radio; third, a sandwich grill; fourth, a table cigarette lighter; fifth, a carving set; and sixth through tenth, alarm clocks. Husbands of the three top winners also received pocket lighters.

F. BEATRICE BROWER
Division of Personnel Administration

TEAMSTERS VERSUS BREWERY WORKERS

TAKING another major step in its reorganization under President Dave Beck, the AFL Teamsters' union has completed organization of the eastern states conference of Teamsters, reports *The International Teamster*.¹ The new conference, under Chairman Edward Crumbock, who is third vice-president of the Teamsters, encompasses 400,000 members in fifteen East Coast states, from Maine through South Carolina. So far, eleven trade divisions have been established within the conference: taxi-cab; dairy; bakery; cannery; over-the-road and general hauling; laundry and dry cleaning; automotive trades; warehouse, etc.; building materials; brewery and soft drinks; and miscellaneous.

The Teamsters' brewery locals of New York, New Jersey and Connecticut have already met to complete organization of brewery workers in these areas. According to *The Teamster*, the recent affiliation of sixteen locals of the CIO Brewery Workers with the Teamsters' union leaves only 2,000 brewery workers from Maine to Philadelphia that are still with the CIO union. Teamster union plans, reports *The Teamster*, calls for "speedy entrance" of these workers into the brewery division of the Teamsters.

The CIO Brewery Workers and the national CIO, however, have mapped a campaign, reports the *Brewery Worker*, to combat attempts of the "renegade" Brewery Worker local officers from swinging more Brewery locals to the Teamsters. The outlined program calls for the national CIO to assist the Brewery Workers in:

- "Establishment of a broad plan of action to safeguard and maintain our jurisdiction, including, of course, protection against raids on membership by other organizations.
- "An over-all organizing plan calling for joint action by national CIO and our international and including the coordination of activities in the field of collective bargaining pointed particularly toward multiple plant bargaining—this, in turn, to lead toward eventual industry-wide bargaining."

A special CIO committee of three men, with Richard Leonard as coordinator, will work with the Brewery Workers' union on this campaign.

¹For background see "Dave Beck and the AFL" *Management Record*, September, 1953, p. 331.

In appraising its resources for an all-out national drive, the Brewery Workers' union reports its financial position is "as sound as ever." During the fiscal year ending July 31, 1953, the Brewery union spent over \$300,000 on the Newark campaign to recapture bargaining rights from the Teamsters.¹ Despite this large expenditure, the *Brewery Worker* reports that receipts for the year were \$88,000 in the black. The Brewery union claimed total receipts of \$1,183,659.60 for the fiscal year and spent \$1,095,803.93.

CIO Clears UPWA on Communist Charges

Charges that the United Packinghouse Workers, CIO, is communist dominated were found to be false by a CIO investigating committee, reports the *Packinghouse Worker*. The special CIO committee investigating the charges consisted of Emil Rieve, president of the CIO Textile Workers, Frank Rosenblum, secretary-treasurer of the Amalgamated Clothing Workers, CIO, and Emil Mazey, secretary-treasurer of the United Automobile Workers, CIO. In addition to clearing the UPWA of the charge of communist domination, the committee found no basis for charges that the union was planning to amalgamate or merge with the AFL Meat Cutters' union. The CIO also helped the Packinghouse Workers' union settle certain internal disorders. Several southern UPWA locals threatened cessation because they object to the national UPWA antidiscrimination policy. The CIO committee pledged that the national CIO would issue no charters to local unions who sought to disaffiliate from the Packinghouse Workers.

The UPWA on October 16 celebrated its tenth anniversary as an official CIO union. The Packinghouse Workers' organizing committee was founded in 1937. The union's first constitutional convention, however, was not held until 1943, reports the *Packinghouse Worker*.

Senator Douglas Refuses Audience to UE

The best way to handle communist union officials who seek to exploit meeting with public officials, says the *The IUE-CIO News*, was recently demonstrated by Senator Paul Douglas. A United Electrical Workers (FE-UE) delegation recently sought to confer with Senator Douglas on unemployment in the farm equipment industry. Senator Douglas' reply, reproduced in *The IUE-CIO News*, stated, "I believe

¹See "Teamsters Win Two Big Elections," *Management Record*, April, 1953, p. 143.

your union to be communist dominated and therefore will not meet with you."

Congratulating Senator Douglas on his stand, the CIO International Union of Electrical Workers said:

"All too frequently—either out of naivete or electoral expediency—various Congressmen have consented to meet with UE leaders or delegations. Invariably these meetings have been exploited throughout the country both by UE and by the communist press as evidence that the UE could not be communist controlled because if it were, Congressmen would refuse to confer with its leaders. Consequently your refusal to lend yourself to such exploitation deserves the appreciation of all democratic unionists."

Baldanzi On Loan to AFL Longshore Union

George Baldanzi, director of organization of the AFL's United Textile Workers of America, has been assigned to aid the AFL's new longshoremen's union, reports *The Textile Challenger*.¹ Mr. Baldanzi's new assignment was made at the request of Teamster chief, Dave Beck, according to the *Challenger*. His work with the AFL longshore group will be part time and on a temporary basis. The *Challenger* explained Mr. Baldanzi's new duties in answer to CIO Textile Union charges that Mr. Baldanzi had quit the AFL Textile Union.

Paid Vacations in 95% of Contracts: AFL

More than 95% of AFL union contracts contain paid vacation provisions, reports the *AFL News-Reporter*. The overwhelming majority of them, according to the AFL's research department, call for at least two weeks' vacation for employees with longer service. Trends in vacation provisions noted by the AFL are: Lengthening of vacations; easing of eligibility requirements for new employees; assurances of full pay during the vacation; and protection of vacation rights for separated employees.

CIO Pushes Drive for Federal Workers

Reductions in force among government agencies in Washington have prompted the CIO's government and civic employees' organizing committee to open a drive for new members, reports *The CIO News*. The national CIO has assigned a full-time organizer to the job. The morale of government workers, according to the CIO, is at an "incredible low." Seniority qualifications and veteran status, says the CIO, "are almost meaningless in the wholesale firings."

Hatters Sell Bonds for Strike Benefits

Sale of \$500,000 worth of 3% bonds has been started by the United Hatters, Cap, and Millinery Workers, AFL. The issue is to finance benefits for 1,400 members who are striking against the Hat Corporation of America, reports the

AFL News-Reporter. The notes are in \$100 and \$500 denominations and are available to union members only. They are redeemable after six months if the holder faces an emergency. Benefits to strikers paid by the Hatters Union have been \$25 a week to a single member, \$30 to a married member.

\$80,000 In Ads for City of Hope

The Butcher Workman, monthly publication of the AFL Amalgamated Meat Cutters and Butcher Workmen, published advertising for the first time in its history in its October issue. The precedent was broken in order to raise money for the City of Hope, a medical center at Duarte, California, to which many unions contribute. *The Butcher Workman's* advertising venture netted \$80,000 for the City of Hope.

Craft Locals Form State Unit

To increase their bargaining power, fourteen locals of the AFL Plasterers' and Cement Finishers' Union in Michigan have banded together in a state-wide conference, reports the *AFL News-Reporter*. A state-wide welfare and insurance program is one of the immediate goals of the group. The conference also plans a state-wide organizing campaign and hopes to set up a state labor pool. According to the *AFL News-Reporter*, the group will also launch a publicity campaign for plaster walls in preference to "dry wall" construction.

UAW-CIO Educates Against Gambling

As part of its war on in-plant gambling, the UAW-CIO will publish a booklet showing the odds on all common forms of gambling, reports the *United Automobile Worker*. The contents, which cover gambling from "numbers to baseball pools to horse racing," will be checked by law enforcement officers before distribution to locals. In its fight against gambling, the UAW has already barred from union office anyone engaged in gambling, and refused to process grievances of members discharged or disciplined for engaging in gambling.¹

Machinists' History in Japanese

A Japanese translation of the history of the International Association of Machinists, called "Machinists on the March," is being made available to 5,000 labor leaders in Japan, reports *The Machinist*. The translation was made at the request of the AFL's Far Eastern representative in Tokyo to help show how democratic unions are organized in the United States. The IAM published its history in 1951, and copies of it are given to all new members of the Machinists' union.

HAROLD STIEGLITZ
Division of Personnel Administration

¹ For background, see "1953 AFL Convention," *Management Record*, October, 1953, p. 363.

² See "Trends in Labor Relations," *Management Record*, January, 1953, p. 25.

Review of Labor Statistics

RETAIL PRICES moved down from their all-time high in October, dipping 0.4% during the month. A 1.4% drop in food prices between mid-September and mid-October was responsible for the first decline in THE CONFERENCE BOARD's index since April of this year. The all-items index for thirty-nine United States cities stood at 183.3 (January, 1939 = 100) in October, compared to 184.0 in September and 181.5 a year ago. The current index is exactly 1% above its October, 1952, level.

The food component was the only one to show a decrease over the month. Pork prices dipped sharply as a result of the autumn rush of hogs to market. Beef and poultry prices were mixed, and lamb and veal were somewhat cheaper. Seasonal declines were reported for apples, oranges and onions, while cabbage, lettuce and bananas moved in the opposite direction. The fall onion crop is estimated to be 23% above a year ago and is the second largest on record. Significant increases were also reported in the staple food items: white bread, flour, macaroni, sugar and coffee.

Food prices have dropped 3.7% in the past year, increasing the purchasing value of the food dollar from 41.7 cents (January, 1939, food dollar = 100 cents) in October, 1952, to 43.3 cents in the current month. Of the twenty cities included in the October survey, only two (Birmingham and New Orleans) registered higher food prices than last year. Decreases in the food indexes of the remaining eighteen cities ranged from 0.3% in Indianapolis to 6.3% in New York.

Housing was the only other component exhibiting a substantial change in October. Housing costs, represented in the index by residential rents, rose 1.1% during the month. This brought the housing index to a level of 134.5, or 6.6% above its year-ago level of 126.2. Increases over the year in the housing indexes of individual cities surveyed this month varied from 0.5% in Birmingham, Houston and Philadelphia to 28.7% in New Orleans.

The clothing and housefurnishings indexes both edged up only 0.1% over the month. Men's suits were slightly lower in some cities, while topcoats, overcoats and work shirts were generally higher. Housefurnishings items showed an unusual amount of price activity, with increases in dinette sets and gas ranges almost counterbalanced by decreases in living room and bedroom suites.

Sundries and fuel rose 0.2% and 0.4%, respectively,

in October. Higher gasoline prices and increases in prices of tires and tubes contributed to the rise in the sundries index. This index has advanced 6.1% since last year, and fuel prices are 1.9% higher than in October, 1952.

The purchasing power of the consumers' dollar in October rose to 54.6 cents (January, 1939, dollar = 100 cents), an advance of 0.6%. Since last year, the consumers' dollar has declined 0.9% in purchasing value.

LAYOFF RATES RISE

Following the trend started last June, layoff rates in manufacturing, especially in durable goods, continued to rise in September. The factory layoff rate reached fifteen per 1,000 employees—more than twice the rate of seven per 1,000 recorded last year at this time. Except for September, 1949, a recession period when the layoff rate rose to eighteen per 1,000, this year's figure is the highest for September in the post-war period.

Recent announcements of layoffs and slowdowns seem to indicate that the trend will continue. In the automobile industry, General Motors, Chrysler, Willys and others have announced slowdowns for October, November, and December, bringing shorter workweeks or loss of employment. Reasons given for these slowdowns have been defense cutbacks, overstocking, and changeover for new models.

Many farm equipment workers in the Midwest were also idled after September. International Harvester has laid off 10,000 workers in Chicago and thousands have been affected in the Davenport, Moline, and Rock Island area.

The television industry is also experiencing a slowdown as consumer demand receded over the past few months. The Crosley Division of the Avco Manufacturing Company has laid off 500 workers, and Raytheon cut its production staff between 15% and 18%. R.C.A. announced a layoff of 1,200 Cincinnati workers effective December 11, and reduced its work forces at Camden, New Jersey, and Indianapolis. Westinghouse has announced some slowdowns, and some of the smaller television companies are operating far below last year's levels. DuMont, Philco and Emerson, on the other hand, have contemplated no production changes.

Another key industry group which is experiencing a

slowdown is primary metals, with some steel, brass, and aluminum plants reporting layoffs.

Along with the increased layoff rate for September, factory hiring decreased for the third consecutive month. The September rate is forty per 1,000 compared with forty-three per 1,000 in August and fifty-six per 1,000 a year ago. Industries with the lowest hiring rate are lumber, furniture, primary metals, transportation equipment, instruments, food, textiles, chemicals, and paper.

A slight increase in the quit rate was recorded—from twenty-nine per 1,000 workers in August to thirty-one per 1,000 in September. BLS notes that quits usually increase in September because students and teachers leave their summer jobs. It is significant, however, to note that the quit rate is about 11.5% under a year ago, reflecting the decline in opportunities for job shifting.

The total factory separation rate reached fifty-three per 1,000 workers in September. This is nearly one third above the hiring rate, indicating a drop in total factory employment.

WAGE ADJUSTMENTS

Between mid-October and mid-November, THE CONFERENCE BOARD confirmed ninety-four wage settlements involving fifty-eight companies with a total of about 280,000 wage earners and salaried personnel. Of the total number of adjustments, seventy affected wage earners and twenty-four salaried employees. Increases for approximately 225,000 wage earners ranged from 1.5 cents to 18 cents per hour, with 5 cents as the most frequently granted average raise. The most prevalent increments granted to the 55,000 salaried workers were between \$2 and \$3 per week, although, as usual, there were many variations.

Industry-wide patterns of settlement again influenced the wage adjustment picture. In communications, the American Telephone and Telegraph Company long lines department granted a 6-cents-per-hour average increase to 22,500 salaried workers belonging to the Communications Workers, CIO. Northwestern Bell Telephone Company granted a \$2.13-per-week average increase to 20,400 wage earners of the same union.

In the food industry there were two interstate settlements. Armour and Company gave raises of 5 cents per hour to 25,000 members of the Packinghouse Workers, CIO, and 5,000 members of the Meat Cutters, AFL, while about 14,000 nonunion salaried employees in the same company received increases of \$2 per week. Swift and Company granted a 5-cent-per-hour average increase to 32,000 members of three unions—the Packinghouse Workers, CIO, Packinghouse Workers, ind., and Meat Cutters, AFL. Swift also gave \$2 per week to 5,200 salaried workers. In the

rubber industry, an increment of 5 cents per hour to 35,000 Rubber Workers, CIO, was granted by the United States Rubber Company.

Other important settlements confirmed this month are:

- The Shapleigh Hardware Company settlement which guaranteed 60% of the employees on the seniority list 2,000 straight-time hours for each contract year effective June 1, 1955. This agreement granted a 10.25-cents-per-hour increase to 825 Teamsters in St. Louis. The contract runs for five years until June 1, 1958, with five automatic wage increases during that period: 9 cents 9/1/54; 6 cents 9/1/55; 7 cents 9/1/56; 7 cents 3/1/57; 7 cents 12/1/57.

- The largest cents-per-hour raise—18 cents—was given by the General Contractors Association of Louisville to 200 Teamsters in that city.

EMPLOYMENT

According to the latest Census Bureau figures, total civilian employment in October was estimated at 62.2 million, remaining virtually unchanged from September. The October figure is about 300,000 above the year-ago total of 61.9 million. The employment total includes the self-employed and unpaid family workers in family-operated enterprises, as well as wage and salary workers.

Nonagricultural employment, at 55.1 million in October, was at an all-time high for the month. The total in nonfarm jobs showed little change from the previous month. In October, as in September, the withdrawal of students from the labor force was offset by an increase in the number of teachers and other school employees. There was also some evidence of a pickup in employment in retail trade this month.

Agricultural employment was estimated at 7.2 million in October, about 100,000 below September. Harvest operations were making rapid progress in October, with continued dry, warm weather in most parts of the country.

Unemployment remained at the near minimum level of the past two months, with 1.2 million persons or 1.8% of all civilian workers out of jobs. The number of job seekers is as low as it has ever been since the end of World War II. Only about 125,000 workers, or one in ten of those currently jobless, could be classified as long-term unemployed (that is, out of work for fifteen weeks or more).

The total civilian labor force, which includes both the employed and the unemployed, was estimated at 63.4 million in October—about 148,000 below September, and 258,000 above October, 1952.

VIRGINIA M. BOSCHEN
GRACE MEDVIN
JUDITH WISHNIA
Statistical Division

Consumers' Price Indexes for Ten Cities

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

City	Index Numbers Jan., 1939=100			Percentage Changes		City	Index Numbers Jan., 1939=100			Percentage Changes	
	Oct. 1933	Sept. 1933	Oct. 1932	Sept. 1933 to Oct. 1933	Oct. 1932 to Oct. 1933		Oct. 1933	Sept. 1933	Oct. 1932	Sept. 1933 to Oct. 1933	Oct. 1932 to Oct. 1933
Birmingham						Indianapolis					
Food.....	238.1	243.4	235.7	-2.2	+1.0	Food.....	251.4	252.3	252.2	-0.4	-0.3
Housing ¹	164.2	164.2	163.4 _r	0	+0.5	Housing ²	145.9	145.9	124.6 _r	0	+17.1
Clothing.....	151.5	151.3	151.4	+0.1	+0.1	Clothing.....	143.8	143.6	144.7	+0.1	-0.6
Fuel ⁶	132.5	130.9	134.6	+1.2	-1.6	Fuel ⁶	159.9	159.9	158.5 _r	0	+0.9
Housefurnishings.....	168.9	169.1	170.9	-0.1	+1.2	Housefurnishings.....	155.5	157.0	160.0	-1.0	-2.3
Sundries.....	157.5	156.7	154.2	+0.5	+2.1	Sundries.....	186.6	186.4	179.9	+0.1	+3.7
Weighted total.....	180.5	181.7	178.8 _r	-0.7	+1.0	Weighted total.....	189.8	190.1	185.1 _r	-0.2	+2.5
Boston						Los Angeles					
Food.....	218.7	219.2	230.5	-0.2	-5.1	Food.....	222.1	225.0	235.2	-1.3	-5.6
Housing ²	130.3	130.3	128.9	0	+1.1	Housing ¹	146.0	145.9 _r	143.0	+0.1	+2.1
Clothing.....	143.3	143.2	142.5	+0.1	+0.6	Clothing.....	141.5	141.4	141.7	+0.1	-0.1
Fuel ⁶	181.3	179.4	175.4	+1.1	+3.4	Fuel ⁶	101.5	101.5	101.1	0	+0.4
Housefurnishings.....	152.8	155.4	156.1	-1.7	-2.1	Housefurnishings.....	159.7	161.2	159.6	-0.9	+0.1
Sundries.....	170.7	170.6	165.8	+0.1	+3.0	Sundries.....	177.8	177.6	170.0	+0.1	+4.6
Weighted total.....	177.5	177.6 _r	179.8	-0.1	-1.3	Weighted total.....	177.4	178.2	178.2	-0.4	-0.4
Chicago						New Orleans					
Food.....	246.7	248.7 _r	253.9	-0.8	-2.8	Food.....	255.7	258.3	251.2	-1.0	+1.8
Housing ¹	154.1	144.6	136.5 _r	+6.6	+12.9	Housing ²	169.8	165.3 _r	131.9 _r	+2.7	+28.7
Clothing.....	147.6	147.6	146.3	0	+0.9	Clothing.....	156.8	156.8	156.3	0	+0.3
Fuel ⁶	120.9	120.9	119.0	0	+1.6	Fuel ⁶	94.9	94.9	93.2	0	+1.8
Housefurnishings.....	157.1	157.2	158.7	-0.1	-1.0	Housefurnishings.....	172.4	169.5 _r	172.0	+1.7	+0.2
Sundries.....	183.2	182.4	176.3	+0.4	+3.9	Sundries.....	152.2	150.0	147.7	+1.5	+3.0
Weighted total.....	189.9	188.3	186.4	+0.8	+1.9	Weighted total.....	192.1	191.7 _r	183.2 _r	+0.2	+4.9
Denver						New York					
Food.....	236.8	235.6	239.1	+0.5	-1.0	Food.....	211.9	219.7	226.2	-3.6	-6.3
Housing ³	132.1	132.1	128.3 _r	0	+3.0	Housing ²	116.7	116.7	107.0	0	+9.1
Clothing.....	163.7	162.6	162.5	+0.7	+0.7	Clothing.....	152.4	152.6	151.7	-0.1	+0.5
Fuel ⁶	106.4	106.0	105.1	+0.4	+1.2	Fuel ⁶	138.1	138.0	136.9	+0.1	+0.9
Housefurnishings.....	156.6	156.3	158.9	+0.2	-1.4	Housefurnishings.....	160.4	159.9	162.1	+0.3	-1.0
Sundries.....	164.2	164.2	159.7	0	+2.8	Sundries.....	195.2	195.2	175.7	0	+11.1
Weighted total.....	176.9	176.4	175.5	+0.3	+0.8	Weighted total.....	176.1	178.9	174.4	-1.6	+1.0
Detroit						Philadelphia					
Food.....	237.4	244.9	248.5	-3.1	-4.5	Food.....	222.9	226.4 _r	227.6	-1.5	-2.1
Housing ²	141.4	141.4	130.6	0	+8.3	Housing ¹	118.2	118.2	117.6	0	+0.5
Clothing.....	147.2	147.1	146.6	+0.1	+0.4	Clothing.....	142.2	141.6	142.7	+0.4	-0.4
Fuel ⁶	167.1	165.1	161.6	+1.2	+3.4	Fuel ⁶	159.8	159.8	160.4	0	-0.4
Housefurnishings.....	165.2	165.4	168.8	-0.1	-2.1	Housefurnishings.....	175.3	174.5	176.9	+0.5	-0.9
Sundries.....	192.8	192.7	183.8	+0.1	+4.9	Sundries.....	186.3	186.2	176.3	+0.1	+5.7
Weighted total.....	187.8	189.9	186.2	-1.1	+0.9	Weighted total.....	181.3	182.4 _r	180.5	-0.6	+0.4

Source: THE CONFERENCE BOARD

¹ Rents surveyed January, April, July, October

² Rents surveyed February, May, August, November

³ Rents surveyed March, June, September, December

⁴ Philadelphia rent surveyed March, June, August, and November, 1933

⁵ New Orleans rent surveyed March, June, September and October 1933.

⁶ Includes electricity and gas.

_r Revised

Consumers' Price Index for Ten United States Cities, and Purchasing Value of Dollar

Index Numbers, January, 1939 = 100

Date	Weighted Average of All Items	Food	Housing ¹	Clothing			Fuel ²			House- furnish- ings	Sundries	Purchasing Value of the Dollar
				Total	Men's	Women's	Total	Electricity	Gas			
1932 October.....	179.8	236.5	122.7	148.1	163.8	134.8	135.3	92.2	104.6	163.6	174.4	55.6
November.....	180.6	238.3	123.3	148.2	163.8	135.0	135.9	92.0	104.6	164.8	174.5	55.4
December.....	179.3	233.2	124.1	148.2	163.8	135.0	137.6	92.0	104.6	164.7	175.0	55.8
Annual average.....	179.1	236.1	122.0	149.1	164.9	135.6	133.4	90.9	104.5	165.6	172.6	55.8
1933 January.....	178.7	230.3	124.9	148.2	163.8	135.1	138.1	92.0	105.3	162.7	176.1	56.0
February.....	177.3	225.2	125.7	148.2	164.0	134.9	137.9	92.0	105.3	163.4	176.6	56.4
March.....	177.7	225.6	125.8	148.4	163.8	135.5	138.0	92.0	105.3	163.3	177.4	56.3
April.....	177.6	223.9	125.8	148.3	163.5	135.4	137.7	92.0	105.4	163.2	179.2	56.3
May.....	178.4	225.0	129.1	148.4	163.9	135.3	134.5	92.0	105.4	163.1	179.3	56.1
June.....	179.7	223.6	129.4	148.5	164.0	135.3	134.5	92.0	105.4	162.3	179.5	55.6
July.....	181.1 _r	231.1	130.3 _r	148.3	163.6	135.4	135.4	92.0	105.6	162.4	180.6	55.2
August.....	182.7 _r	231.3	130.5 _r	148.3	163.6	135.3	136.4	92.0	106.1	161.6	186.2	54.7 _r
September.....	182.9 _r	231.4	130.9 _r	148.6	164.1	135.5	136.6	92.0	106.1	161.7 _r	186.2	54.7
October.....	181.7	226.4	132.8	148.6	163.7	135.8	137.0	92.0	106.1	161.8	186.5	55.0

Percentage Changes

Sept. 1933 to Oct. 1933....	-0.7	-2.2	+1.5	0	-0.2	+0.2	+0.3	0	0	+0.1	+0.2	+0.5
Oct. 1932 to Oct. 1933....	+1.1	-4.3	+8.2	+0.3	-0.1	+0.7	+1.3	-0.2	+1.4	-1.1	+6.9	-1.1

¹ Rents surveyed quarterly in individual cities.

² Includes electricity and gas.

_r Revised

Consumers' Price Indexes for Cities Surveyed Quarterly

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

City	Index Numbers Jan., 1939=100			Percentage Changes		City	Index Numbers Jan., 1939=100			Percentage Changes	
	Oct. 1953	July 1953	Oct. 1952	July 1953 to Oct. 1953	Oct. 1952 to Oct. 1953		Oct. 1953	July 1953	Oct. 1952	July 1953 to Oct. 1953	Oct. 1952 to Oct. 1953
Bridgeport						Minn.-St. Paul					
Food.....	220.3	219.3	232.5	+0.5	-5.2	Food.....	245.8	246.1	257.1	-0.1	-4.4
Housing.....	120.0	120.0	118.6	0	+1.2	Housing.....	115.7	113.0	113.0	+2.4	+2.4
Clothing.....	144.9	145.8r	144.8	-0.6	+0.1	Clothing.....	156.6	156.3	154.2	+0.2	+1.6
Fuel ¹	174.1	170.4	167.2	+2.2	+4.1	Fuel ¹	148.6	146.1	143.7	+1.7	+3.4
Housefurnishings.....	160.4	162.6	162.6	-1.4	-1.4	Housefurnishings.....	177.2	177.6r	177.8	-0.2	-0.3
Sundries.....	193.5	193.1r	182.0	+0.2	+6.3	Sundries.....	191.3	190.9r	177.2	+0.2	+8.0
Weighted total.....	180.6	180.0	180.8	+0.3	-0.1	Weighted total.....	186.5	185.8r	184.6	+0.4	+1.0
Cincinnati²						Newark					
Food.....	236.9	239.4r	239.8	-1.0	-1.2	Food.....	226.8	230.1	237.2	-1.4	-4.4
Housing.....	151.1	148.1	134.4	+2.0	+12.4	Housing.....	112.0	111.8	111.2	+0.2	+0.7
Clothing.....	160.8	160.9r	159.5	-0.1	+0.8	Clothing.....	144.1	144.0r	143.7	+0.1	+0.3
Fuel ¹	155.2	151.6	151.8	+2.4	+2.2	Fuel ¹	125.1	124.6	124.2	+0.4	+0.7
Housefurnishings.....	159.5	153.6r	160.3	+3.8	-0.5	Housefurnishings.....	193.8	193.2r	194.1	+0.3	-0.2
Sundries.....	176.2	176.3	168.5	-0.1	+4.6	Sundries.....	171.9	170.3	166.8	+0.9	+3.1
Weighted total.....	187.7	187.5r	183.5	+0.1	+2.3	Weighted total.....	176.6	177.2r	178.7	-0.3	-1.2
Erle						Roanoke					
Food.....	249.2	252.7r	261.1	-1.4	-4.6	Food.....	236.2	238.6	241.7	-1.0	-2.3
Housing.....	154.4	146.0	137.1	+5.8	+12.6	Housing.....	158.7	157.3	157.4	+0.9	+0.8
Clothing.....	175.0	173.2r	175.9	+1.0	-0.5	Clothing.....	169.0	168.9	168.2	+0.1	+0.5
Fuel ¹	177.6	175.7	176.4	+1.1	+0.7	Fuel ¹	152.4	145.7r	151.2	+4.6	+0.8
Housefurnishings.....	167.7	169.1	169.3	-0.8	-0.9	Housefurnishings.....	172.8	173.9r	173.8	-0.6	-0.6
Sundries.....	184.2	183.7	175.3	+0.3	+5.1	Sundries.....	169.6	169.6	163.2	0	+3.9
Weighted total.....	197.4	196.7r	195.7	+0.4	+0.9	Weighted total.....	186.3	186.3r	185.5	0	+0.4
Grand Rapids						Seattle					
Food.....	236.4	238.5r	242.4	-0.9	-2.5	Food.....	225.9	226.8r	237.1	-0.4	-4.7
Housing.....	131.2	131.1	130.0	+0.1	+0.7	Housing.....	141.0	140.3	136.9	+0.5	+3.0
Clothing.....	140.6	140.1	142.6	+0.4	-1.4	Clothing.....	144.9	145.3	143.9	-0.3	+0.7
Fuel ¹	164.6	159.4	161.6	+3.3	+1.9	Fuel ¹	147.0	147.0	139.7	0	+5.2
Housefurnishings.....	175.9	174.6	173.9	+0.7	+1.2	Housefurnishings.....	186.1	184.2	182.1	+1.0	+2.2
Sundries.....	187.7	185.6	176.7	+1.1	+6.2	Sundries.....	170.2	169.7	160.6	+0.3	+6.0
Weighted total.....	193.2	192.7r	191.5	+0.3	+0.9	Weighted total.....	179.8	179.8	178.9	0	+0.5
Houston						Syracuse					
Food.....	228.6	231.1r	237.0	-1.1	-3.5	Food.....	235.5	238.5	243.8	-1.3	-3.4
Housing.....	144.2	144.1	143.5	+0.1	+0.5	Housing.....	125.9	125.9r	124.9	0	+0.8
Clothing.....	150.5	150.7	150.2	-0.1	+0.2	Clothing.....	161.7	161.7	161.2	0	+0.3
Fuel ¹	90.1	90.1	81.8	0	+10.1	Fuel ¹	169.4	169.4	169.0	0	+0.2
Housefurnishings.....	140.0	140.3	142.9	-0.2	-2.0	Housefurnishings.....	171.7	173.4	176.3	-1.0	-2.6
Sundries.....	173.0	173.0	167.5	0	+3.3	Sundries.....	158.6	158.7	154.4	-0.1	+2.7
Weighted total.....	174.8	175.4r	174.8	-0.3	0	Weighted total.....	176.2	177.2	177.3	-0.6	-0.6

¹ Includes electricity and gas.

² Cincinnati surveyed Oct. 1953, Aug. 1953, Nov. 1952.

r Revised

Consumers' Price Index for Thirty-nine Cities, and Purchasing Value of the Dollar

Index Numbers, January, 1939 = 100

Date	Weighted Average of All Items	Food	Housing ¹	Clothing			Fuel ²			House- furnish- ings	Sundries	Purchasing Value of the Dollar
				Total	Men's	Women's	Total	Electricity	Gas			
1952 October.....	181.5	239.9	126.2	150.5	167.4	136.1	137.9	92.7	102.7	164.4	173.2	55.1
November.....	182.3	241.3	126.8	150.6	167.4	136.3	138.9	93.4	103.0	165.7	173.4	54.9
December.....	180.9	236.1	127.6	150.6	167.4	136.3	140.5	93.4	103.0	165.7	173.8	55.3
Annual average.....	180.7	239.4	125.4	151.4	168.7	136.8	136.3	92.0	102.8	166.3	171.2	55.3
1953 January.....	180.4	233.2	128.2	150.6	167.4	136.3	141.1	93.4	103.9	163.7	174.9	55.4
February.....	179.0	228.7	128.8	150.6	167.7	136.1	140.8	93.4	103.8	164.6	175.0	55.9
March.....	179.5	229.1	128.9	150.8	167.5	136.6	140.9	93.4	104.0	164.7	175.9	55.7
April.....	179.4	227.4	128.9	150.7	167.4	136.4	140.7	93.4	104.2	164.5	177.8	55.7
May.....	180.2	228.5	131.0	150.8	167.8	136.4	138.6	93.4	104.3	164.5	178.2	55.5
June.....	181.2	231.3	131.3	150.9	167.9	136.4	138.5	93.4	104.6	164.0	178.5	55.2
July.....	182.3	233.2r	131.9r	150.8	167.8	136.4	138.9	93.4	104.7	164.0	179.6	54.9
August.....	183.7	234.0	132.5r	150.8	167.8	136.3	139.7	93.4	105.1	163.4r	183.3	54.4
September.....	184.0	234.4r	133.1r	151.0	168.2	136.5r	140.0	93.4	105.1	163.4	183.4	54.3
October.....	183.3	231.1	134.5	151.1	168.0	136.6	140.5	93.5	105.1	163.6	183.7	54.6

Percentage Changes

Sept. 1953 to Oct. 1953.....	-0.4	-1.4	+1.1	+0.1	-0.1	+0.1	+0.4	+0.1	0	+0.1	+0.2	+0.6
Oct. 1952 to Oct. 1953.....	+1.0	-3.7	+6.6	+0.4	+0.4	+0.4	+1.9	+0.9	+2.3	-0.5	+6.1	-0.9

Source: THE CONFERENCE BOARD

¹ Rents surveyed quarterly in individual cities.

² Includes electricity and gas.

r Revised

Labor Relations and Personnel

(Continued from page 440)

where labor relations are included in that department. These attacks are designed to break down the confidence of the rank-and-file people in top personnel leaders. View-points developed during that time carry on after the strife is over.

"Consequently, it would seem better to have labor relations activities in a separate organization which would work on a coordinated basis with the personnel and operating departments."

Two Kinds of Employees

Probably the greatest influence in the separation of labor relations and personnel is management's thinking, in some quarters, that employees are divided into two distinct sets of people—union and nonunion—and that this is a primary consideration in their treatment. In some companies, there are two sets of employee practices. The union contract determines the program for those covered by agreements. In a multi-unit company which has no master agreement, company practices may vary widely in different locations, according to the contracts signed.

The only opportunity, then, for uniformity in company practices is offered by personnel administration as it relates to the nonunion employees. The personnel department focusses its attention on this group. There are actually, in this case, two personnel administration departments. Labor relations functions for the organized workers, personnel for the unorganized.

Where cleavage is greatest, the personnel department sometimes sees as its mission the planning of a program for nonunion employees that will offset any advantages obtained for the union employees through bargaining, thus lessening any appeal of union membership for those who are not organized.

REASONS FOR COORDINATION

Each of the foregoing arguments for separation of the functions of labor relations and personnel is countered by those who believe that labor relations and other aspects of personnel administration should be coordinated on a level lower than that of the president. Their reasoning follows.

Able Director Can Assume Full Responsibility

There need be no fear of accepting the help of a staff man in regard to labor relations if the labor relations director is able. A president who feels that he must reserve for himself that part of a function which runs into big money in case of mistaken judgment ends with an impossible load on his shoulders. In order to

avoid costly errors, a chief executive could permit the company's purchasing agent to buy materials only up to \$10,000. Any purchases amounting to more than that, the president would handle himself. Rather than erect such a safeguard which leads to organizational confusion, the president employs a purchasing agent who can be trusted to assume full responsibility for the purchasing function.

Any mistake in judgment in the personnel field can be very costly, although it may not show up immediately. A poor selection procedure can show up in the leadership of the company twenty years later. Imperfect communication can create poor morale, which is a constant brake on production—far more reaching in its effects than a provision in the labor contract which has a terminal date. If the personnel director's judgment in the other areas of personnel administration can be trusted, it should be adequate for the problems of labor relations.

Authority, Not Status, Is Important

If responsibility is given to a labor relations man, he should be given authority equal to it. If he has the authority, which means that what he says has the backing of management, it does not matter particularly at what level he is in the organization. He may report directly to the president or he may function at the third or fourth level below the chief executive.

Union leaders quickly recognize authority, which goes a long way toward meeting the argument relating to stature. The labor relations man may be a section head within a department of personnel administration. If what he says during collective bargaining sessions actually represents what the company will do or won't do, if there need be no halt or infrequent halts in the proceedings for consultation with higher executives, if his statements are not later reversed or modified, the union will tend to deal as readily with him as with the top man in the organization.

All Are Employees

The fundamental objective of personnel administration is good relations with all employees, whether they are members of unions or not. Whether the personnel administrator is concerned with employees as members of groups or with them as individuals is not important. If a company can afford a staff specialist skilled in group techniques, that is fine. But his functions are so interrelated with personnel functions that only close integration of the two can achieve the most favorable results.

"Labor relations," according to the vice-president of a highly unionized manufacturing company, "is the defensive aspect of personnel administration. Personnel relations is the offensive, getting-ahead, aspect. Labor relations has received the greater attention lately, but the trend is now going the other way. Com-

panies are realizing that they have to get on the offensive and not just fight off demands."

Union Relations Become Simple

"The labor contract will succeed only in proportion to the supporting cast," says another. "The supporting cast is made up of the good everyday practices that represent good personnel administration. If workers are fitted into the right jobs, if they are given adequate training, if their working conditions are good, if they are kept informed—such things make a union contract work. Where there are good everyday relations, union relations become simple."

Grievances Used to Strengthen Program

Grievances that come up in the administration of a union contract enable the personnel administrator to detect weaknesses and strengthen the company's personnel program. A grievance may stem from poor communications; it may reveal unsafe working conditions; it may be directly traceable to faulty administration of an employee benefit plan. Whatever it is, if he knows about it, the personnel director may be able to do something about it and prevent similar grievances next month or next year. If labor relations is quite separate from personnel, grievances may be only a liability, never utilized as an asset.

Danger of Lack of Balance

If coordination is effected by an executive who has close supervision over only a part of the whole, there is always the chance of lack of balance. Too much attention may be devoted to the aspect nearest at hand. Suppose, for example, that the labor relations man reports directly to the president, while the wage and salary administrator reports to the vice-president of production (who is more concerned with production problems than with details of personnel). Union demands may easily assume greater importance for this president in establishing wage rates than the advice of the company's wage and salary administrator, which only reaches the president second hand, through the vice-president.

If both the head of personnel and the head of labor relations report to the president, he is in a position to view all aspects of personnel administration in their proper relationships. Most overworked presidents, however, are seeking to reduce their span of control, i.e., the number of people who report to them. If the coordination can be effected successfully at a lower level, so that only one person reports to the president in regard to employee relationships, the time and energies of the chief executive are conserved.

Informal Integration

In a few companies where the organization structure separates labor relations and personnel, there is,

in practice, close integration between the two. In one large manufacturing company, for instance, the personnel director reports to the president, while the director of labor relations reports to the vice-president of manufacturing. No important decision, however, is made by either personnel director or labor relations director without consulting the other, and all decisions are made on the basis of the same philosophy. The two men occupy adjacent offices, and they are in and out of each other's offices several times a day. They are voluntarily effecting coordination which is not provided through organization planning.

Policies versus Expediency

The chief responsibility of the director of personnel administration is to help formulate company-wide personnel policies and, once they have been adopted by top management, to see to it that these policies are put into effect uniformly throughout the company. If the labor relations man is empowered to enter each bargaining session with only expediency in mind, the development of and adherence to personnel policies becomes impossible. If the union contract is the only written statement of the company's intent toward its employees, the company's personnel program has no rudder. The personnel administrator finds his task merely the routine supervision of techniques that may head in many directions.

If, on the other hand, provisions of the union contract are formulated within the confines of company policy, the contract becomes merely another written statement of practices to conform with the company's objectives. And day-to-day administration of the agreement is merely a part of the ordinary administration of the company's personnel program. The closer the coordination of labor relations and personnel, the easier it is to keep the eye on the ball—which in this case is good employee relations.

GENEVA SEYBOLD

Division of Personnel Administration

Gasoline Dividends on the Parking Lot

Every once in a while an employee-customer gets a free tank of gasoline at the filling station on the employees' parking lot at the Gates Rubber Company in Denver. It is his share of the profits from operation of the filling station which is owned by employees through their mutual benefit club. On the average, each employee gets one tank of gas in seven free.

If the customer prefers, he can take his dividends in cash rather than in gasoline. Some wait until their dividends amount to fifty dollars or more before cashing them.

Wage Adjustments Announced Prior to November 15, 1953

Company	Union(s)	Number and Type of Employees Affected*	Effective Date	Amount of Adjustment	Fringe Benefits**	Remarks
<i>Atomic Energy and Allied Fields</i>						
Union Carbide and Carbon Corp. Oak Ridge, Tenn. Carbide & Carbon Chemicals Co. Division	Atomic Trades and Labor Council, AFL	n.a. WE	7-15-53	\$0.07 per hr. av.	Good Friday granted as 7th paid holiday	Agreement result of wage reopening. Provision for reopening on 4-15-54 and 1-15-55 Duration, 3 yrs.
<i>Chemicals and Allied Products</i>						
American Cyanamid Co. Marietta, Ohio Calco Division	Chemical Workers, AFL	134 WE	5-18-53	\$0.07 per hr. av.	3-day death benefits	Agreement result of wage reopening. Contract expires 5-18-54
Gloucester City, N. J. Calco Chemical Division	Chemical Workers, AFL	203 WE	7-8-53	\$0.065 per hr. av. Production rates increased \$0.6; maintenance rates increased \$0.07	Same as above	Agreement result of contract expiration. Duration, 1 yr.
Pearl River, N. Y. Lederle Laboratories Division	Chemical Workers, AFL	2,148 WE	9-21-53	\$0.06 per hr. av. Increases varied from \$0.02 to \$0.12 depending on classification		Agreement result of wage reopening. Provision for wage reopening on 11-12-54. Contract expires 5-11-55
Hercules Powder Co., Inc. Bessemer, Ala.	Dist. 50, UMWA, ind.	205 WE	6-12-53	\$0.08 per hr. av.		Agreement result of wage reopening. Contract duration, 2 yrs.
Southern Chemical Cotton Co. Chattanooga, Tenn.	Chemical Workers, AFL	245 WE	6-30-53	7%	3 wks' vacation after 10 yrs.	Agreement result of new contract. Contract runs until 7-1-54 and year to year thereafter unless written notice is given 60 days prior to expiration.
	Dist. 50, UMWA, ind.	n.a. WE	7-10-53	\$0.085 per hr. av.		
Union Carbide and Carbon Corp. Pine Creek, Calif. U.S. Vanadium Co. Division						Agreement result of wage reopening. Contract expires 7-9-54
<i>Communications</i>						
American Telephone & Telegraph Co. Interstate Long Lines Dept.	Communications Workers, CIO	22,500 S approx.	9-2-53	\$0.06 per hr. av.	Effective 1-1-54 employees hired after Oct. 1 of the previous yr. but prior to April 1 of current yr. will receive 1 wk. vacation after 6 months. Those hired prior to Oct. 1 of previous yr. will receive 2 wks. vacation	Agreement result of contract expiration. Contract runs from 9-2-53 through 9-17-54
Northwestern Bell Telephone Co. Interstate	Communications Workers, CIO	20,381 WE (includes part-time employees, and is equivalent to 19,872 full-time employees)	8-16-53	\$2.13 per wk. av. Increases vary from \$2 to \$3 for craft schedules; from \$1 to \$2 for clerical and operators' schedules		Agreement result of contract expiration. Duration, 1 yr.
<i>Construction</i>						
General Contractors Assn. of Louisville Louisville, Ky.	Teamsters, AFL	200 WE approx.	9-1-53	\$0.18 per hr. av.		Agreement result of contract expiration. Duration, 1 yr.
<i>Electrical Machinery, Equipment, and Supplies</i>						
Allen B. DuMont Laboratories, Inc. Clifton, N. J.	IUE, CIO	2,084 WE	3-4-53 7-4-53 8-12-53	\$0.025 \$0.025 \$0.05 Total of \$0.10 per hr. av. increase	1) 3 days off for death of parent, husband, wife, or child 2) \$500 additional Group Life Insurance 3) One additional holiday	First contract. Duration, 2 yrs.
	None	947 S	3-4-53 7-4-53 8-12-53	\$1 per wk. \$1 per wk. \$2 per wk. Total of \$4 per wk. av.	Same as above	
Emerson Electric Co. St. Louis, Mo.	IUE, CIO	3,500 WE	6-10-53	\$0.07 per hr. av.		Agreement result of wage reopening. Provision for wage reopening 6-1-54. Contract expires 4-1-55
Great Lakes Carbon Corp. Morganton, N. C.	Chemical Workers, AFL	387 WE	6-29-53	\$0.07 per hr. av.		Settlement result of wage reopening. Contract runs to 1-15-54
Hammarlund Co. New York, N. Y.	IUE, CIO	455 WE	7-1-53	\$0.05 per hr. av.	1) Liberalized insurance benefits 2) Four additional days sick leave	Settlement result of contract expiration. Provision for wage reopening 7-1-54. Duration, 2 yrs.

Wage Adjustments Announced Prior to November 15, 1953—Continued

Company	Union(s)	Number and Type of Employees Affected*	Effective Date	Amount of Adjustment	Fringe Benefits**	Remarks
Master Electric Co. Dayton, Ohio	UE, ind.	1,350 WE approx.	11-1-53	\$.015 per hr. av.		Settlement result of wage reopening. Provision for wage reopening at end of contract year—6-30-54.
	None	225 S	11-1-53	\$.60 per wk. av.		Duration, 1 yr.
Raytheon Manufacturing Co. Waltham, Mass.	IAM, AFL	530 WE	6-1-53	Increases vary from \$.08 to \$.10 per hr. with av. increase of \$.094 per hr. or 4.7%	Paid time off for death in immediate family; 3 days off for spouse or child; 1 day off for other members of immediate family	Settlement result of contract renewal. Duration, 1 yr.
	IBEW, AFL	12,000 WE	7-1-53	Increases vary from \$.05 to \$.10 per hr. with average increase of \$.0595 per hr. or 4.7%	Same as above	Same as above
The Rudolph Wurlitzer Co. North Tonawanda, N. Y.	IUE, CIO	2,289 WE	10-1-53	\$.06 per hr. av. Cost of living increase plus annual productivity improvement factor.	1) Paid holidays increased from 6 to 7 2) Slight liberalization of paid vacations	Contract duration, 4 yrs. expiring 9-30-54
	None	615 S	10-1-53	\$.240 per wk. av.		
Fabricated Metal Products Eagle Lock Co. Subs. of Bowser, Inc. Terryville, Conn.	IUE, CIO	530 WE	8-14-53	\$.065 per hr. av. Increases vary: \$.04—piece workers; \$.05—day workers. Several internal job inequities from \$.07 to \$.15 per hr.	Double time and one-half for work on holidays	Agreement result of contract expiration. Provision for one wage reopening on wages only in contract year
Ray-O-Vac Co. Clinton, Mass. Blake Manufacturing Division	UAW, CIO	n.a. WE	8-4-53	\$.07 per hr. av.	3 wks.' vacation after 15 yrs.	Agreement result of contract expiration. Duration, 1 yr.
Shapleigh Hardware Co. St. Louis, Mo.	Teamsters, AFL	824 WE	6-1-53	\$.1025 per hr. av. Automatic wage increases: 9¢—9-1-54 6¢—9-1-55 7¢—9-1-56 7¢—3-1-57 7¢—12-1-57	Effective 6-1-55 60% of employees on the Seniority list guaranteed 2,000 straight-time hours each contract year	Agreement result of wage reopening. Contract runs to 6-1-58
Vollrath Co. Sheboygan, Wis.	UE, ind.	677 WE	6-16-53	\$.05 per hr. av. Occasional inequity adjustments of \$.03 per hr. included in average increase	1) Group life insurance coverage increased from \$1,000 to \$2,000 2) Group disability increased from \$.25 to \$.30 per week 3) 3 wks.' vacation after 15 yrs. 4) Shift bonus increased: 2nd shift: \$.05 to \$.07 per hr; 3rd shift: \$.07 to \$.13 per hr.	Agreement result of contract expiration. Provision for wage reopening 6-30-54. Duration, 2 yrs.
	None	117 S	6-16-53	Equivalent to above increase		
Food and Kindred Products Armour & Co. Interstate	Packinghouse Workers, CIO	25,000 WE	9-28-53	\$.05 per hr. av.	Employer-paid hospitalization and surgical plan for employee and dependents	Agreement result of wage reopening. Contract expires 8-16-54
	Meat Cutters, AFL	5,000 WE	9-28-53	\$.05 per hr. av.		
	None	13,924 S	9-28-53	\$.2 per wk. av.		
General Mills, Inc. Rossford, Ohio (Feed) Hopkinsville, Ky. (Flour) Johnston City, Tenn. (Flour) Belmond, Ia. (Chemical) Rossford, Ohio (Chemical)	Grain Millers, AFL	200 WE	8-8-53	\$.08 per hr. av.		
	Grain Millers, AFL	40 WE	10-18-53	\$.065 per hr. av.		
	Grain Millers, AFL	40 WE	8-1-53	\$.05 per hr. av.		
	Grain Millers, AFL	105 WE	9-15-53	\$.08 per hr. av.		
	Grain Millers, AFL	40 WE	10-1-53	\$.08 per hr. av.		
Ralston-Purina Co. Nashville, Tenn.	DPOWA, CIO	88 WE	7-16-53	\$.05 per hr. av.		Agreement result of new contract. Cost of living allowance geared to revised BLS Consumers' Price Index. Contract runs to 11-30-54
Swift & Co. Interstate	Packinghouse Workers, CIO	32,000 WE	9-28-53	\$.05 per hr.	Hospital, medical and surgical plan	Agreement result of wage reopening. Duration, 2 yrs. Provisions for reopening: 1) Packinghouse workers, CIO—once between 5-1 and 9-1-54. 2) Meat Cutters, AFL and Packinghouse workers, ind.—once between 2-11 and 8-11-54
	Packinghouse Workers, ind.					
	Meat Cutters, AFL					
	None	5,200 S approx.	9-28-53	\$.2 per wk. general increase		

Wage Adjustments Announced Prior to November 15, 1953—Continued

Company	Union(s)	Number and Type of Employees Affected*	Effective Date	Amount of Adjustment	Fringe Benefits**	Remarks
<i>Lumber and Wood Products</i>						
S. E. Overton Co. South Haven, Mich.	Upholsterers, AFL	293 WE	8-1-53 (Date of settlement 8-17-53)	\$.07 per hr. av.	Paid holidays	Agreement result of contract expiration. Duration, 1 yr. Provision for wage reopening 11-15-54
Wood-Mosaic Co., Inc. Louisville, Ky.	Carpenters, AFL	322 WE	8-13-53	\$.075 per hr. av.		Agreement result of new contract. Duration, 3 yrs.
<i>Machinery (except Electrical)</i>						
Jenkins Brothers Co. Bridgeport, Conn.	Steelworkers, CIO	825 WE	6-15-53	\$.08 per hr. av.		Agreement result of wage reopening. Contract expires in summer of 1954
	Office Employees, AFL	130 S	8-31-53	5%		Same as above
McQuay Norris Mfg. Co. St. Louis, Mo.	UAW, CIO	1,665 WE	8-5-53	\$.05 per hr. av. plus \$.06 per hr. for pension plan effective 1-1-55	1) Pension plan 2) Increased accident and sickness insurance 3) Accidental death and dismemberment insurance added to present life insurance plan	Agreement result of contract expiration. Contract runs to 6-1-54
Seeger Refrigerator Co. Evansville, Ind.	IUE, CIO; United Plant Guard Workers, ind.	4,000 WE	6-17-53	\$.03 per hr. av. Selected skill classifications raised \$.04 to \$.08 per hr. additional	1) Company assumed cost of dependent insurance for hospital and surgical for employees with 1 year or more seniority 2) Sickness and accident insurance raised from \$27 to \$30 per wk.	Agreement result of contract expiration. Duration, 1 yr.
	None	1,000 S	6-17-53	2%		
<i>Paper and Allied Products</i>						
Continental Can Company Mt. Vernon, N. Y. Zanesville, Ohio Shellmar-Betner Division	Paperworkers, CIO	550 WE	9-18-53	\$.084 per hr. av. General increase \$.075 \$.009 used to adjust skilled jobs	Paid holiday eligibility changed from 100 to 50 working days	Agreement result of expiration of contract. Duration, 1 yr.
Detroit Sulphite Pulp & Paper Company Detroit, Mich.	Paper Makers, AFL Pulp, Sulphite & Paper Mill Workers, AFL	420 WE	5-1-53 (settlement date 8-4-53)	\$.06 per hr. av.		Agreement result of renewal of contract. Contract expires 4-30-54 Wage reopening possible upon 60 days notice
	None	80 S		\$.06 per hr. av.		
Eastern Corporation Brewer & Lincoln, Me.	Paper Makers, AFL Pulp, Sulphite & Paper Mill Workers, AFL	1,134 WE	7-1-53	\$.03 per hr. av. or 2% whichever is greater		Agreement result of contract expiration. Duration, 1 yr. Wage reopening upon 60 days' written notice by either party
	None	278 S	7-1-53	Same as WE		
International Paper Company Chicago, Ill.	Paperworkers, CIO	120 WE	7-1-53	3% av.		Agreement result of contract expiration. Duration, 1 yr. Wage reopening possible upon 30 days' notice
Marathon Corporation Menasha, Wausau, Rothschild, Ashland, Wis. Menominee, Mich.	Paper Makers, AFL Pulp, Sulphite & Paper Mill Workers, AFL	3,000 WE	5-4-53 (settlement date 7-8-53)	\$.05 per hr. av.	Daily hospital room benefits for employees increased from \$8 to \$9. Hospital incidental benefits increased from 10 times to 20 times daily benefits	Agreement result of new contract. Expiration date, 4-30-54 Reopening possible upon 30 days' notice
Rhineland Paper Company Rhineland, Wis.	Paper Makers, AFL Pulp, Sulphite & Paper Mill Workers, AFL	1,068 WE	6-1-53 (settlement date 9-10-53)	\$.04 to \$.07 per hr	Insurance incidentals raised from \$80 to \$120. Funeral leave granted for step-mother and step-father. Shift differential raised from \$.08 to \$.10	Agreement result of new contract. Duration, 1 yr. Reopening possible upon 30 days' notice
Strathmore Paper Company West Springfield, Woronoco, Mass.	Paper Makers, AFL	n.g. WE	7-1-53	3% av.		Settlement result of contract expiration. Duration, 1 yr. One reopening permitted
	None	n.g. S	6-1-53	3% av.		
Wabash Fibre Box Company Terre Haute, Ind.	Paperworkers, CIO	225 WE	6-1-53	4½% av.	Increased hospital benefits	Agreement result of expiration of contract. Duration, 1 yr.

Wage Adjustments Announced Prior to November 15, 1953—Continued

Company	Union(s)	Number and Type of Employees Affected*	Effective Date	Amount of Adjustment	Fringe Benefits**	Remarks
<i>Photographic and Optical Goods</i>						
International Projector Corp. Bloomfield, N. J.	UE, ind.	360 WE	8-1-53	\$.08 per hr. av. \$.05 across the board, \$.03 staggered for various funds		Agreement result of expiration of contract. Duration, 1 yr.
<i>Primary Metals</i>						
Atlantic Steel Company Atlanta, Ga.	Steelworkers, CIO	n.a. WE	6-14-53	\$.085 per hr. av.		Agreement result of wage reopening of open end contract. Next reopener, 6-54
	None	n.a. S	7-1-53	\$.085 per hr. av.		
Malleable Iron Fitting Company Branford, Conn.	Steelworkers, CIO	557 WE	6-29-53	\$.059 per hr. av.	Added 3 wks.' vacation after 20 yrs.' service Added \$.02 premium for night shift (from \$.05 to \$.07)	Agreement result of expiration of contract. Duration, 1 yr.
Parker-White Metal Company Erie, Pa.	Mine, Mill and Smelter Workers, ind.	195 WE	6-1-53	\$.0446 per hr. av. Increases vary from \$.04 to \$.05	\$2 per day for time lost due to accident in addition to compensation. Three working days with pay for death in immediate family. \$1,000 insurance after 20 yrs.' service or age 65	Agreement result of new contract. Duration, 1 yr.
Revere Copper & Brass Co. Los Angeles, Cal.	Boilermakers & Blacksmiths, AFL	231 WE	8-3-53	\$.05 per hr. av. \$.10 additional for skilled workers	Election Day granted as seventh paid holiday	Agreement result of wage reopening. Contract expires 10-15-55 Reopening on 8-15-54
	None	80 S	8-3-53	3% av.		
Reynolds Metals Company Louisville, Ky. Aluminum Division	Aluminum Workers Federal Union, AFL	1,500 WE	7-16-53	\$.085 per hr. av.	Paid holiday provisions liberalized	Agreement result of wage reopening. Contract expires 8-1-54
Interstate	Steelworkers, CIO	8,100 WE	7-13-53	\$.085 per hr. av.	Same as above	Agreement result of new contract. Contract expires 7-31-54
United States Pipe & Foundry Company Birmingham, Ala.	District 50, ind. UMWA, ind.	1,008 WE	6-12-53	\$.085 per hr. av.		Agreement result of wage reopening. Contract expires 7-1-54
	District 50, ind. UMWA, ind.	63 S	7-12-53	\$15 per mo. av.		Reopening possible upon 60 days' notice Contract expires 8-1-54
<i>Printing and Publishing</i>						
Hammond Times Hammond, Ind.	Typographical Union, AFL	80 WE	8-1-53	\$.10 per hr. av.	Increase in life benefits, sickness and disability benefits covered by group insurance	Agreement result of new contract. Contract expires 1-31-55
<i>Professional, Scientific and Controlling Instruments</i>						
Ingraham Clock Company Bristol, Conn.	IUE, CIO	1,500 WE	8-17-53	\$.05 per hr. av. for 1310 workers \$.10 per hr. av. for 190 workers		Agreement result of wage reopening. Contract expires 6-1-55 Next reopener, 6-1-54
<i>Public Utilities</i>						
Georgia Power & Light Co. Atlanta, Athens, Augusta, Columbus, Macon, Rome, Ga.	IBEW, AFL	2,888 WE	3-1-53 (settlement date 8-17-53)	5 1/4% av.	Granted one additional holiday, Christmas Eve, making a total of 6, none guaranteed	Agreement result of contract expiration. Contract expires 3-1-55 Wage reopener, 3-1-54
	None	1,817 S	3-1-53 (settlement date 8-17-53)	5 1/4% av.	Same as above	
New York State Electric & Gas Corp. Binghamton, N. Y. Binghamton Division	IBEW, AFL	1,990 WE	7-1-53	\$.099 per hr. av. or 5.25%		Agreement result of wage reopening. Contract expires 7-1-54
	IBEW, AFL	560 S	7-1-53	\$.079 per hr. av.		Same as above
<i>Rubber and Allied Products</i>						
United States Rubber Company Interstate	Rubber Workers, CIO	85,000 WE	9-21-53	\$.05 per hr. av.	Noncontributory life insurance increased from \$2,000 to \$3,000. Minimum pension increased from \$100 per mo. to \$125 per mo. after 25 yrs.' service	Agreement result of wage reopening. Contract expires 9-31-55 Reopening possible upon 30 days' notice

Wage Adjustments Announced Prior to November 15, 1953—Continued

Company	Union(s)	Number and Type of Employees Affected*	Effective Date	Amount of Adjustment	Fringe Benefits**	Remarks
<i>Stone, Clay and Glass Products</i>						
Certain-teed Products Corp. Acme, Hardeman County, Texas	Cement, Lime and Gypsum Workers, AFL	226 WE	8-1-53	\$0.08 per hr. av.		Agreement result of contract expiration. Duration, 1 yr.
Grand Rapids, Mich.	Cement, Lime and Gypsum Workers, AFL	218 WE	6-15-53	\$1.25 per hr. av.	3 wks.' vacation after 15 yrs.' employment	New contract. Duration, 1 yr. if no cancel- lation, extended for 1 more yr.
National Gypsum Company Fort Dodge, Ia.	Cement, Lime and Gypsum Workers, AFL	228 WE	6-16-53	\$0.05 per hr. av.	\$8 Daily benefits. Package Insurance Plan. Increased shift differen- tial	Agreement result of contract expiration. Duration, 1 yr.
Medicine Lodge Sun City, Kansas	Cement, Lime and Gypsum Workers, AFL	180 WE	7-20-53	\$0.0575 per hr. av.	Increased shift differen- tials Five additional paid holi- days for mine workers	Agreement result of contract expiration. Duration, 1 yr.
Pittsburgh Plate Glass Company Shelbyville, Ind. Fiber Glass Division	Glass Blowers, AFL	379 WE	7-16-53	\$0.07 to \$0.13 per hr.	Shift differential changed to \$0.06 and \$0.09 Effective 1-16-54, time and one-half will be paid for Sunday work	Agreement result of wage reopener. Expiration of contract 1-56 Reopeners, 1-16-54, 1-16-55
<i>Textile Mill Products</i>						
American Enka Corporation Enka, N. C.	Textile Workers, AFL	2,356 WE	7-27-53	\$0.05 per hr. av.		Agreement result of wage reopening. Contract expires 11-3-55 Reopening between 1-24-54 and 12-54
	None	677 S	7-27-53	3% of base salary		
<i>Transportation Equipment</i>						
A. C. F. Brill Motors Company Philadelphia, Pa.	Steelworkers, CIO	1,150 WE	6-29-53	\$0.095 per hr. av.	Additional holiday, mak- ing 7. Life insurance increased to blanket \$4,500 for all union workers	Agreement result of new contract. Duration, 1 yr.
	None	400 S	6-27-53	\$0.095 per hr. av.		
Boeing Airplane Company Seattle, Wash. Division	IAM, AFL	21,131 WE	6-22-53	\$0.06 per hr. av.		Wage reopening 12-22-53
Wichita, Kan. Division	IAM, AFL	17,100 WE	8-1-53	No wage increase	Group insurance benefits of \$8.65 per mo. (Life, Medical, Surgical, Hospi- tal, Sickness and Acci- dent insurance)	Agreement result of expira- tion of contract. Duration, 1 yr. Reopening, 12-25-53
	None	6,028 S	8-1-53	\$2.19 per wk. av. (8.05%)		
Dravo Corporation Pittsburgh, Pa. Engineering Works Division	Marine and Ship- building Workers, CIO	1,200 WE	7-13-53	\$0.0748 per hr. av.		Agreement result of wage reopening. Contract expires 8-1-54
Penn Manufacturing Company Hartford, Conn.	IUE, CIO	450 WE	6-1-53	\$0.10 per hr. av.		Agreement result of wage reopening. Contract expires 8-28-55 Reopening, 6-1-55
	None	65 S	6-1-53	\$0.10 per hr. av.		
M. B. Manufacturing Co., Inc. New Haven, Conn.	UE, ind. IAM, AFL	550 WE 100 WE	9-1-53 9-1-53	5% av. 5%	Blue Cross and Conn. Medical Service paid in full for employee and family. Vacation period broken down between 5 and 15 years	New contract. Duration, 1 yr.
	None	100 S	9-1-53	5%		
<i>Miscellaneous Manufacturing Industries</i>						
Glascote Products, Inc. Cleveland, Ohio	Gas, Coke and Chemical Workers, CIO	85 WE	8-1-53	\$0.06 per hr. av. \$.14 of \$.17 cost-of-living adjustments frozen and added to rates		Agreement result of wage reopening. Contract expires 8-1-54
	None	15 S	10-1-53	\$15 per mo. av.		

* WE, wage earners; S, salaried personnel.

** Fringe Benefits include all benefits supplemental to wages received by workers at a cost to employers.
n.a., not available.